

YUSUF ISLAM FOUNDATION

England & Wales · Charity number 1134513

Details

Status	Registered
Legal form	Charitable company
Company number	07055355
Registered	2010-02-25
Register	View on the Charity Commission register

Contact

Address	The Yusuf Islam Foundation The Maqam Centre Tiverton Road London NW10 3HJ
Phone	02073722171
Email	enquiries@yif.org.uk
Website	www.yif.org.uk

Activities

Objects: THE FURTHERANCE OF THE RELIGION OF ISLAM AND THE FURTHERANCE OF ISLAMIC EDUCATION IN ACCORDANCE WITH THE TEACHINGS OF THE HOLY QUR'AN AND THE SUNNAH OF THE PROPHET MUHAMMED.

Activities: GENERAL CHARITABLE PURPOSES
EDUCATION/TRAINING
COMMUNITY DEVELOPMENT
THE PREVENTION OR RELIEF OF POVERTY
RELIGIOUS ACTIVITIES
ARTS/CULTURE/HERITAGE
GRANTS TO INDIVIDUALS
GRANTS TO ORGANISATIONS
ACTS AS AN UMBRELLA BODY
PROVIDES BUILDINGS/FACILITIES/OPEN SPACE

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities, Arts/culture/heritage/science, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,620,572	£3,787,537	£21,800,966	50
2024-03-31	£2,634,498	£2,788,288	£21,842,555	47
2023-03-31	£2,564,065	£2,819,517	£21,996,345	50
2022-03-31	£2,531,981	£2,773,964	£22,251,797	50
2021-03-31	£2,938,684	£2,813,503	£22,493,780	50

Trustees

Name	Role	Appointed
Dr YUSUF ISLAM	Chair	2020-06-17
Dr ABDULKARIM KHALIL		2012-02-01
MUHAMMAD ADAMOS		
Shabir Randeree CBE		2016-03-30

Accounts

Charity registration number 1134513 (England and Wales)

Company registration number 07055355

YUSUF ISLAM FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

YUSUF ISLAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees and officers	Mr Yusuf Islam Dr Abdulkarim Khalil Mr Shabir Randeree Mr Muhammad Yoriyos Adamos	
Foundation Manager	Mr Nathan McKenzie	(Resigned 29/08/2025)
Charity number	1134513	
Company number	07055355	
Registered office	The Maqam Centre Tiverton Road London NW10 3HJ	
Auditor	AMS Audit Limited 1 Hardman Street Spinningfields Manchester M3 3HF	
Bankers	HSBC Bank UK PLC 50-52 Kilburn High Road London NW6 4HJ	
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR	
Investment managers	Al Rayan Bank Whitechapel Branch 97-99 Whitechapel Road London E1 1DT	

YUSUF ISLAM FOUNDATION

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YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are the furtherance of the religion of Islam and the furtherance of Islamic education in accordance with the teachings of the Holy Qur'an and the Sunnah of the Prophet Muhammad. The general charitable activities of the charity are education/training, community development, the prevention or relief of poverty, religious activities, and arts/culture/heritage.

In order to achieve its objectives, the charity provides the use of its two school properties by Islamia Schools Limited, provides rent-free accommodation to the voluntary-aided, Islamia Primary School, and deploys its resources to support the local and Muslim community. The charity also works with the commercial ground floor tenant of its Maqam Centre to support local community engagement and activities, and continues to plan the development of the centre's upper floors for community use.

Additionally, as part of the charity's activities, scholarships are awarded to pupils of its schools and grants are made to individuals and organisations that share similar charitable objectives or activities. These are subject to strict due diligence processes and delivered in accordance with the objects of the charity.

The group funds its activities by generating income in the form of investment income, rental income from its property investments, school fees, and donations. The charity's senior management team ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on a quarterly basis.

The charity operates three subsidiaries, details of which can be found in Note 1 and 20. The school operations are operated through Islamia Schools Limited, a registered charity controlled by the Yusuf Islam Foundation.

Public benefit

The trustees confirm that they have complied with their duty under Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Foundation's charitable activities directly benefit the public through educational provision, particularly by operating Islamia Girls School and Brondesbury College, which provide access to quality education.

Additionally, the Foundation offers scholarships and free access to community facilities, ensuring that financial constraints do not restrict access to education and community resources. These activities advance education and promote inclusivity and social welfare, directly benefiting both the local Muslim community and broader society.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Reserves and Investment Policy

The trustees have determined that, after taking into account fixed asset balances, the charity should hold reserves that equate to at least three months of expenditure to enable it to continue to operate in the event of unforeseen financial difficulties. As of 31 March 2025, the charity holds £21,681,328 in total reserves.

These reserves provide a safety net against any potential reduction in funding and allow the charity to respond flexibly to opportunities for investment in strategic projects, such as the expansion of the scholarship programme and the development of the Maqam Centre. The reserves will also be used to cover any unexpected costs related to property maintenance or urgent charitable needs.

The trustees have considered the most appropriate policy for investing the funds of the charity to ensure the Foundation has sufficient uncommitted and readily accessible assets to cover overheads or any unanticipated short-term need. This includes short-term and low-risk cash investments, which are included in the balance sheet of the charity as current asset investments, and longer-term property investments.

The Foundation's property investment assets include both residential and commercial properties in central and greater London, which are managed by external third-party property management agents and generate rental income to fund the charitable activities of the group. Internal quarterly reports to the trustees provide updates on these investment assets.

Related parties

Transactions between related parties during the year, by virtue of shareholding or common trustees, are disclosed in the note 31 to the financial statements.

Going Concern

The trustees remain confident that they would be able to continue the activities of the charity in the event of a significant reduction in funding. The charity's unrestricted funds are £21.7m, and the cash balance of the group is approximately £1.2m.

The trustees continue to benefit from the income-generating investment properties the charity owns but remain cognisant that property-related income relies on the payment of rent from commercial and residential tenants. As part of their going concern considerations, trustees exercise judgement and flexibility with respect to rental income arrangements and regularly review rental income levels and have achieved residential rent increases during the period.

The trustees are also aware of the benefit of future music publishing contractual opportunities available to Firecat Music Limited, its wholly-owned trading subsidiary. Maqamat Limited will have potential trading income from the Maqam Centre upon completion of the upper floors, with further construction expected to commence in 2026/27. The tenancy arrangements with the commercial ground floor tenant of the Maqam Centre have been renewed until November 2026.

Trustees continue to closely monitor student numbers within the context of its going concern considerations, with any weaker enrolment numbers being offset through the continuation of a budgetary savings drive. The charity has continued to increase its marketing to boost enrolment numbers. Additionally, to ease the financial burden on parents/guardians and increase the recoverability of fee income, the schools maintained amended terms and conditions to allow greater flexibility to enable fee payment over an extended period, where appropriate.

Based on a review of cashflows and forecasts covering a year from the date of this report, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Strategic report

The principal objectives for the year were:

- a review of the Foundation's current and future activities, in line with its charitable objectives;
- a review of the Foundation's Articles of Association;
- an ongoing and formal study of the development potential of the Foundation's property portfolio;
- support of community initiatives by taking forward the development of the Maqam Centre;
- an increase in rental yields from the Foundation's property investment portfolio;
- a transition to the Independent Schools Inspectorate for inspections of Islamia Girls School;
- continued implementation of School Development Plans covering the period 2024 to 2027;
- continued delivery of a comprehensive school improvement programme through school self-evaluations and a review of the schools' administrative and support functions;
- enhanced investment in education through an increase in the scholarship programme.

Achievements and performance

Significant activities and achievements against objectives

The Foundation has committed significant funds to the running of its highly successful secondary schools in London, through its subsidiary Islamia Schools Limited. The effective running of Islamia Girls School and Brondesbury College has ensured that both schools remain among the most academically successful educational institutions in London.

The most recent GCSE results show that, once again, both the secondary schools have performed excellently. At both Islamia Girls Schools and Brondesbury College, 100% of students achieved 5 or more GCSEs Grades 9-5. This is considerably higher than the national average.

A recent strategic review of the charity's schools has resulted in the adoption of a new non-academic staff structure and the appointment during the reporting period of a School Business Manager and Deputy School Business Manager.

New, enhanced, pay scales have also been implemented across the schools.

As a mainstay of the Foundation's education activities, 31 scholarships, valued at £63,975 (2024: £48,770) and awarded on the basis of need and merit, were awarded to students at the secondary schools. The Foundation also continued to provide rent-free accommodation to the voluntary-aided Islamia Primary School.

Fundraising practices

The Foundation engages in a variety of fundraising activities, including receiving voluntary donations. During the reporting period, the charity did not employ any professional third-party fundraisers. All fundraising efforts were conducted in-house by our staff and students. The trustees are committed to ensuring that fundraising practices are transparent, legal, and respectful. The Foundation complies with the Charity Commission's fundraising guidance and adheres to the Fundraising Regulator's Code of Fundraising Practice. There have been no complaints received regarding our fundraising activities in the reporting period.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review

The Statement of Financial Activities on page 11 shows a net group deficit of £78,416 (2024: £153,790). The trustees consider the state of the charity's affairs to be satisfactory.

At the year end, overall reserves totalled £21,800,966 (2024: £21,842,555), with £21,221,260 (2024: £21,059,735) relating to fixed asset balances, and £59,698 being restricted (2024: £111,497). The charity retains reserves as a contingency against operational risks and for investment in strategic projects such as the development of the Maqam Centre and refurbishment of the investment and school properties.

The principal funding sources of the group are from investment income (including rental income), school fees paid by parents of students, and donations. Royalties paid to the subsidiary, Firecat Music Limited, are typically paid as advances when new publishing deals are negotiated and signed. All expenditure in the year has been on the furtherance of education and community initiatives.

Principal risks and vulnerabilities

The trustees acknowledge their responsibility to manage the risks faced by the charity. The trustees regularly review the key risks facing the charity and have established procedures to mitigate those risks. The primary risks identified are financial sustainability, compliance with regulatory requirements, reputational risks, and operational risks in the management of school and investment facilities as well as charitable activities. To mitigate these risks, the trustees implement the following:

- Financial risk management: A comprehensive budgeting process is in place with monthly senior leadership meetings and quarterly financial reports reviewed by the trustees. Reserves policies are strictly adhered to in order to ensure sustainability.
- Regulatory compliance: Regular internal audits are conducted to ensure compliance with Charity Commission regulations and educational standards set by the Department for Education, Ofsted and the Independent Schools Inspectorate.
- Reputational risk management: The charity has adopted a public relations strategy that includes media monitoring and regular communication with stakeholders to maintain trust and transparency.
- Operational risks: Key personnel and senior management teams are tasked with ensuring that all charity and school operations are effectively managed, with continuous staff training to address any gaps in operational efficiency.

The recent application of VAT to private schools and changes to business rates for private schools pose a financial risk for the Foundation's subsidiary, Islamia Schools Limited. As a result, there is a continued risk of reduced enrolment, which could strain the school's finances. Additionally, VAT compliance has increased administrative burdens and associated costs. This is being managed through professional financial advice and changes to the admissions window so that the enrolment of students into the following academic year can be secured earlier.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

As part of a strategic review, the Foundation is looking to appoint a new Head of Foundation. A new feasibility study of the Foundation's property portfolio has been commissioned and will be delivered around the New Year. A new comprehensive survey of the schools' stakeholders was completed during the reporting period, the findings of which continue to inform medium and long-term planning. A further survey of employees at the schools is currently underway with the outcome expected to be delivered in the coming weeks. The results of these actions are being used to develop new strategies for the schools' development. The Foundation is also exploring ways to enlarge its scholarship programme to provide greater support to those in need and working in co-operation with other charities for the benefit of the Muslim and wider community.

The charity is continuing to develop the Maqam Centre, which, when completed, will be a landmark addition to London's multicultural landscape and provide a state-of-the-art facility for contemplative and creative expression, where the community at large, professionals, academics and artists can meet, work and interact.

Trustees are also actively looking to the long-term future of the Foundation and are considering ways to maximise the income from its assets to broaden the range and impact of its activities in pursuit of its charitable objectives.

Structure, governance and management

The Yusuf Islam Foundation (the 'Foundation') is a charitable company, limited by guarantee, and constituted by its Memorandum and Articles of Association, dated 23 October 2009. The company registered as a charity on 25 February 2010. Yusuf Islam Foundation is the parent entity of the group and its subsidiaries are: Islamia Schools Limited (Charity no. 1134516 / Company no. 07055378); Firecat Music Limited (Company no. 01822129); and Maqamat Limited (Company no. 07183033).

The charity is governed by its Board of Trustees, who are also directors for the purpose of company law. The Trustees meet and communicate regularly (at least quarterly) to review the performance of the Foundation, consider any risks and issues affecting the Foundation, and to review the future plans of the Foundation.

In addition, a senior leadership team meets monthly to review finances and activities.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Fawziah Islam	(Resigned 4 September 2024)
Mr Yusuf Islam	
Dr Abdulkarim Khalil	
Mr Shabir Randeree	
Mr Muhammad Yoriyos Adamos	

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Recruitment and appointment of trustees

The Trustees are responsible for the strategic direction, policy and overall governance of the charity. The implementation of strategy, once agreed, and the day-to-day running and management of the charity's activities is delegated to senior management.

Appointment of new trustees is governed by the Memorandum and Articles of Association of the Foundation, with appointments determined following a skills audit to ensure the board has diverse knowledge and expertise.

No changes were made to the charity's governance structure or trustees during the report period other than Mrs Islam's resignation as a trustee of the Foundation (she remains a trustee of its subsidiary, Islamia Schools Limited). No trustees had any beneficial interest in the charity, and no remuneration or expenses of trustees was paid by the charity.

Trustees maintain a good working knowledge of charity and company law and best practice. Trustees are provided with training in order to carry out their duties to the best of their abilities and in the best interests of the charity. Training and induction are provided on an ad hoc basis for all trustees as necessary. An information pack was issued to each trustee containing internal reports, the latest Charity Commission guidance on a range of matters as well as updated editions of the charity's policies. This pack is routinely updated with new guidance.

Key personnel remuneration is determined with reference to publicly available data and the advice of independent recruitment consultants. The Foundation Manager was remunerated through the Foundation.

The trustees consider that conditions of service are set at an appropriate level and in line with medians in the charity sector, and compliant with legislation. All salary recommendations are approved by the trustees. A pension scheme in line with established legislation is in place.

Statement of trustees' responsibilities

The trustees, who are also the directors of Yusuf Islam Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources of the charitable company for that year, including the income and expenditure.

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

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

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

Auditor

In accordance with the company's articles, a resolution proposing that AMS Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Shabir Randeree

Mr Shabir Randeree
Trustee

26 November 2025

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Opinion

We have audited the financial statements of Yusuf Islam Foundation (the 'charitable company') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the statement of financial activities, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent 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 group's and the parent 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

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 purpose 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 group's and the parent 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.

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

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

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Based on our understanding of the charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted to an unusual account or posted by senior management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

AMS Audit Limited

Andrew Davis ACCA CTA MAAT (Senior Statutory Auditor)

For and on behalf of AMS Audit Limited, Statutory Auditor

Chartered Accountants

1 Hardman Street

Spinningfields

Manchester

M3 3HF

26 November 2025

YUSUF ISLAM FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	8,917	67,301	76,218	2,042	188,779	190,821
Charitable activities	4	2,025,742	-	2,025,742	1,950,169	-	1,950,169
Investments	5	526,570	-	526,570	493,507	-	493,507
Other income	6	992,042	-	992,042	-	-	-
Total income		3,553,271	67,301	3,620,572	2,445,718	188,779	2,634,497
Expenditure on:							
Raising funds	7	165,301	-	165,301	164,936	-	164,936
Charitable activities	8	2,714,473	119,100	2,833,573	2,393,540	229,811	2,623,351
Other expenditure	15	788,663	-	788,663	-	-	-
Total expenditure		3,668,437	119,100	3,787,537	2,558,476	229,811	2,788,287
Net gains/(losses) on investments	16	88,549	-	88,549	-	-	-
Net expenditure		(26,617)	(51,799)	(78,416)	(112,758)	(41,032)	(153,790)
Transfers between funds		-	-	-	21,298	(21,298)	-
Other recognised gains and losses:							
Revaluation of tangible fixed assets		36,827	-	36,827	-	-	-
Net movement in funds	10	10,210	(51,799)	(41,589)	(91,460)	(62,330)	(153,790)
Reconciliation of funds:							
Fund balances at 1 April 2024		21,731,058	111,497	21,842,555	21,822,518	173,827	21,996,345
Fund balances at 31 March 2025		21,741,268	59,698	21,800,966	21,731,058	111,497	21,842,555

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

YUSUF ISLAM FOUNDATION

GROUP BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	Group 2025 £	2024 £	Charity 2025 £	2024 £
Fixed assets					
Tangible assets	18	13,711,260	13,638,284	13,679,066	13,662,290
Investment property	19	7,510,000	7,421,451	7,510,000	7,421,451
Investments	20	-	-	200	200
		<u>21,221,260</u>	<u>21,059,735</u>	<u>21,189,266</u>	<u>21,083,941</u>
Current assets					
Debtors	21	1,058,990	129,171	214,975	143,337
Cash at bank and in hand		1,217,526	1,538,811	994,107	1,292,870
		<u>2,276,516</u>	<u>1,667,982</u>	<u>1,209,082</u>	<u>1,436,207</u>
Creditors: amounts falling due within one year	22	(1,546,660)	(714,212)	(570,610)	(585,406)
Net current assets		<u>729,856</u>	<u>953,770</u>	<u>638,472</u>	<u>850,801</u>
Total assets less current liabilities		<u>21,951,116</u>	<u>22,013,505</u>	<u>21,827,738</u>	<u>21,934,742</u>
Creditors: amounts falling due after more than one year	23	(150,150)	(170,950)	-	-
Net assets		<u>21,800,966</u>	<u>21,842,555</u>	<u>21,827,738</u>	<u>21,934,742</u>
Income funds					
Restricted funds	23	59,698	111,497	132,658	132,658
Unrestricted funds	24	21,741,268	21,731,058	21,695,080	21,802,084
Net assets		<u>21,800,966</u>	<u>21,842,555</u>	<u>21,827,738</u>	<u>21,934,742</u>

The income and deficit of the parent charity for the year for Companies Act purposes is £642,833 and £91,356 deficit respectively (2024: £684,328 and £40,950 deficit). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements were approved by the trustees on 26/11/2025.

Shabir Randeree

Mr Shabir Randeree
Director

Company Registration No. 07055355

YUSUF ISLAM FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	29		(775,826)		(990,364)
Investing activities					
Purchase of tangible fixed assets		(72,029)		(55,898)	
Purchase of investment property		-		(441,451)	
Investment income received		526,570		493,507	
Net cash generated from/(used in) investing activities			454,541		(3,842)
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(321,285)		(994,206)
Cash and cash equivalents at beginning of year			1,538,811		2,533,017
Cash and cash equivalents at end of year			1,217,526		1,538,811

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Yusuf Islam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maqam Centre, Tiverton Road, London, NW10 3HJ. There are currently four trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding due to the level of unrestricted reserves and free cash reserves. For further information, please see consideration of going concern in the trustees' report. Based on a review of cash flows and forecasts covering a year from the date of signing the balance sheet, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

- Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.
- Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

- Investment income relates to rental income received in respect of the charity's investment properties and also profits from the charity's cash investments.
- Deferred income is recognised and released on a proportioned basis, calculated by reference to the proportion of school fees invoiced in advance.
- Charitable activities relate to school fees receivable by Islamia Schools Limited, in respect of the two schools run by that charity being Islamia Girls' School and Brondesbury College for boys, based in Queens Park and Brondesbury Park, London respectively.
- Other trading activities relate to the receipt of royalties by the charity's subsidiary, Firecat Music Limited, income from funds transferred from unincorporated entities for the furtherance of charitable activities, and other income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes:

Grant funding of activities is recognised on the basis that the charity has an obligation, when transfer of the funding is probable and the amount of the obligation can be measured or estimated reliably. Grants are made at the discretion of the trustees on a case-by-case basis.

Activities undertaken directly relate to directly attributable costs in pursuance of the charity's objectives and an allocation of support costs. Support costs are allocated in line with the basis that they relate to the charitable activities of the charity but are not directly related to the income generated from such activities. The vast majority of support costs comprise teaching and administration salaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of teaching, promotional work and expenditure on community centre activities. The bases on which support costs have been allocated are set out in the notes to the financial statements. No support costs are allocated to fundraising or grant making on the grounds of materiality.

Governance costs are included in support costs and relate to accountancy, audit, legal and professional advice provided to the group.

Expenditure on raising funds relates to professional income payable and royalties payable by the charity's subsidiary, Firecat Music Limited, and are recognised on an accruals basis. Also included are maintenance costs relating to property investment income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Leasehold land and buildings	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Freehold land and assets relate to a long-term leasehold flat, 131B Salusbury Road, as well as school properties located at 8 Brondesbury Park and 129 Salusbury Road, London NW6. The property values stated in these accounts are cost. The trustees consider that the useful economic life of these buildings is sufficiently long and the market value is in excess of cost. Accordingly, the trustees are satisfied that no depreciation needed to be charged in the accounts against the value of the buildings as 95% of the value relates to land and therefore the depreciation charge would be immaterial.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. The trustees are satisfied that no adjustment for depreciation, impairment of valuation is needed until the centre is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Functional property of Islamia Schools Limited consists of furniture, fixtures and equipment. Furniture, fixtures and equipment is depreciated in accordance with the depreciation policy stated above.

The charity has no heritage assets. Any items below £500 or not considered to have a useful economic life of more than one year are not capitalised. Impairment reviews are carried out by the trustees on an annual basis to assess whether any impairment of fixed assets needs to be made in the financial statements.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (Chapters 2 and 3 or part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Basis of consolidation

The trading activities of the charity's wholly owned subsidiary, Firecat Music Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Firecat Music Limited's results relate to the accounting period up to 31 March 2025.

The activities of the trading subsidiary, Maqamat Limited, are incorporated in the accounts and consolidated on a line-by-line basis. Maqamat Limited's results relate to the accounting period up to 31 March 2025.

The trading activities of the charity's wholly owned subsidiary, Islamia Schools Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Islamia Schools Limited results relate to the accounting period up to 31 March 2025.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

1.15 Fund accounting

The charity's reserves are allocated between restricted and unrestricted funds.

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion.

The purpose and use of the restricted funds is set out in note 25 to the financial statements.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Fair value of investment properties

The trustees engage a Chartered Surveyor to carry out a valuation of investment properties held by the charity at regular intervals. During the interim periods, the trustees review rent yields in consultation with the charity's property manager to ensure that fair value has remained consistent with prior years.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Donations and gifts	8,917	67,301	76,218	2,042	188,779	190,821

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
School fees receivable	2,025,742	1,950,169

5 Income from investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Rental income	511,112	470,018
Interest receivable	15,458	23,489
	526,570	493,507

6 Other income

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Royalties	951,996	-
Other Income	40,046	-
	992,042	-

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Trading costs		
Property trading costs	81,354	100,796
Investment management costs	83,947	64,140
	165,301	164,936

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Expenditure on charitable activities

	Activities undertaken directly 2025 £	Activities undertaken directly 2024 £
Direct costs		
Staff costs	1,770,238	1,561,036
Depreciation and impairment	35,880	29,843
Teaching	597,441	845,304
	<u>2,403,559</u>	<u>2,436,183</u>
Grant funding of activities (see note 9)	175,034	-
Share of support and governance costs (see note 11)		
Governance	254,980	187,168
	<u>2,833,573</u>	<u>2,623,351</u>
Analysis by fund		
Unrestricted funds	2,714,473	2,393,540
Restricted funds	119,100	229,811
	<u>2,833,573</u>	<u>2,623,351</u>

9 Grants payable

	2025 £	2024 £
Grants to institutions:		
Other	175,034	-

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	14,250	14,250
Depreciation of owned tangible fixed assets	35,880	29,843

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Support & Governance costs

	Support costs £	Governance costs £	2025 Support costs £	Governance costs £	2024 £
Legal and professional costs	-	187,570	187,570	-	103,016
Audit and accounts	-	67,410	67,410	-	53,824
Other	-	-	-	-	30,328
	-	254,980	254,980	-	187,168

Governance costs relate to legal, audit and accountancy work. Support costs include utilities, teaching resources, office costs, repairs and maintenance as well as depreciation.

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits from the charity during the year.

13 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2025 £	2024 £
Audit of the charity's annual accounts	14,250	14,250
Other services to the group		
- Audit of the charity's subsidiaries	15,000	15,000
Total audit fees	29,250	29,250

14 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Staff	50	47
Directors	4	5
Total	54	52

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Employees

Employment costs	2025 £	2024 £
Wages and salaries	1,579,446	1,392,178
Social security costs	151,449	133,686
Other pension costs	39,343	35,172
	<u>1,770,238</u>	<u>1,561,036</u>

The key management personnel of the parent Charity are noted on the legal and administration page. The total remuneration (including pension and national insurance contributions) of the key management personnel of the Charity totalled £143,490 (2024 - £140,570).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 to £100,000	<u>2</u>	<u>2</u>

15 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Royalty management expenses	<u>788,663</u>	<u>-</u>

16 Gains and losses on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:		
Revaluation of investment properties	<u>88,549</u>	<u>-</u>

17 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

No provision for deferred tax has been made as any gains arising on revaluation are exempt from taxation provided they are applied for charitable purposes.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Tangible fixed assets Group

	Freehold land and buildings	Leasehold land and buildings	Assets under construction	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	4,701,094	458,173	8,384,222	186,844	29,980	13,760,313
Additions	23,966	-	-	48,063	-	72,029
Revaluation	-	36,827	-	-	-	36,827
At 31 March 2025	4,725,060	495,000	8,384,222	234,907	29,980	13,869,169
Depreciation and impairment						
At 1 April 2024	-	-	-	96,685	25,344	122,029
Depreciation charged in the year	-	-	-	31,244	4,636	35,880
At 31 March 2025	-	-	-	127,929	29,980	157,909
Carrying amount						
At 31 March 2025	4,725,060	495,000	8,384,222	106,978	-	13,711,260
At 31 March 2024	4,701,094	458,173	8,384,222	90,159	4,636	13,638,284

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Tangible fixed assets

Tangible fixed assets Charity

Cost

At 1 April 2024	4,701,094	458,173	8,495,833	47,662	29,980	13,732,742
Additions	23,966	-	-	-	-	23,966
Revaluation	-	36,827				36,827
At 31 March 2025	4,725,060	495,000	8,495,833	47,662	29,980	13,793,535

Depreciation and impairment

At 1 April 2024	-	-	-	45,108	25,344	70,452
Depreciation charged in the year	-	-	-	2,554	4,636	7,190
At 31 March 2025	-	-	-	47,662	29,980	77,642

Carrying amount

At 31 March 2025	4,725,060	495,000	8,495,833	-	-	13,715,893
At 31 March 2024	4,701,094	458,173	8,495,833	2,554	4,636	13,662,290

Leasehold property is stated at fair value based on the last valuation carried out in October 2025 by Strettons Chartered Surveyor on an open market basis by reference to market evidence of similar property valuations.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Tangible fixed assets

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Investment property

	2025 £
Group and company	
Fair value	
At 1 April 2024	7,421,451
Net gains or losses through fair value adjustments	88,549
	<u>7,510,000</u>
At 31 March 2025	<u>7,510,000</u>

Investment property comprises freehold and leasehold land and buildings. Investment property is stated at fair value based on the last valuation carried out in October 2025 by Strettons Chartered Surveyors on an open market basis by reference to market evidence of similar property valuations.

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices. The next independent valuation will be undertaken in 2026.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2025 £	2024 £
Cost	7,203,529	7,203,529
Accumulated depreciation	-	-
	<u>7,203,529</u>	<u>7,203,529</u>
Carrying amount	<u>7,203,529</u>	<u>7,203,529</u>

20 Fixed asset investments

	Group 2025 £	2024 £	Charity 2025 £	2024 £
Cost or valuation				
At 1 April 2024	-	-	-	-
Investments in subsidiaries	-	-	200	200
	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>
At 31 March 2025	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>

Details of the company's subsidiaries at 31 March 2025 are as follows, all subsidiaries are held at cost :

Name of undertaking	Class of share held	% held
Maqamat Ltd	Ordinary	100
Firecat Music Ltd	Ordinary	100
Islamia Schools Ltd	Ordinary	100

All the subsidiaries have the same registered office address.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Debtors

	Group 2025 £	2024 £	Charity 2025 £	2024 £
Amounts falling due within one year:				
Trade debtors	229,195	57,049	101,148	41,822
Amounts owed by subsidiary undertakings	-	-	81,321	76,856
Other debtors	311,769	33,053	6,712	14,207
Prepayments and accrued income	518,026	39,069	25,794	10,452
	<u>1,058,990</u>	<u>129,171</u>	<u>214,975</u>	<u>143,337</u>

22 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	268,312	8,381
Trade creditors	49,932	63,314
Other creditors	221,126	155,905
Accruals and deferred income	1,007,290	486,612
	<u>1,546,660</u>	<u>714,212</u>

23 Creditors: amounts falling due after more than one year

	2025 £	2024 £
Other creditors	<u>150,150</u>	<u>170,950</u>

24 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>39,343</u>	<u>35,172</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Peace Train	111,497	67,301	(119,100)	-	59,698
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Peace Train	152,529	188,779	(229,811)	-	111,497
Scholarship fund	21,298	-	-	(21,298)	-
	173,827	188,779	(229,811)	(21,298)	111,497

26 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General funds	21,731,058	3,553,271	(3,668,437)	-	88,549	21,704,441
Revaluation reserve	-	-	-	-	36,827	36,827
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
General funds	21,822,518	2,445,718	(2,558,476)	21,298	-	21,731,058

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

27 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	13,711,260	-	13,711,260
Investment properties	7,510,000	-	7,510,000
Current assets/(liabilities)	670,158	59,698	729,856
Long term liabilities	(150,150)	-	(150,150)
	<u>21,741,268</u>	<u>59,698</u>	<u>21,800,966</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	13,638,284	-	13,638,284
Investment properties	7,421,451	-	7,421,451
Current assets/(liabilities)	842,273	111,497	953,770
Long term liabilities	(170,950)	-	(170,950)
	<u>21,731,058</u>	<u>111,497</u>	<u>21,842,555</u>

28 Events after the reporting date

Subsequent to the year end, on 30th April 2025 the group completed a purchase of gold bullion with the total value of £300,121. This transaction was funded from existing reserves and was undertaken as part of the charities revised investment strategy, which aims to diversify its asset base and mitigate exposure to market volatility.

Management considered the financial impact of this transaction and concluded that it does not affect the Group's ability to continue as a going concern.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

29	Cash absorbed by operations	2025 £	2024 £
	Deficit for the year	(78,416)	(153,790)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(526,570)	(493,507)
	Fair value gains and losses on investment properties	(88,549)	-
	Depreciation and impairment of tangible fixed assets	35,880	29,843
	Movements in working capital:		
	(Increase)/decrease in debtors	(929,819)	4,648
	Increase/(decrease) in creditors	811,648	(377,558)
	Cash absorbed by operations	(775,826)	(990,364)

30 Analysis of changes in net funds

The charity had no material debt during the year.

31 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2025 £	2024 £	2025 £	2024 £
Other related parties	65,000	170,000	828,708	-
	<u>65,000</u>	<u>170,000</u>	<u>828,708</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2025 £	2024 £
Amounts owed to related parties	93,393	93,393

The Charity has taken the exemption under FRS102 not to disclose group transactions with wholly owned subsidiaries.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

31 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2025		Amounts owed by related parties 2024	
	Balance £	Net £	Balance £	Net £
Amounts owed from related parties	14,207	14,207	14,207	14,207
	<u>14,207</u>	<u>14,207</u>	<u>14,207</u>	<u>14,207</u>

YUSUF ISLAM FOUNDATION

England & Wales - Charity number 1134513

Accounts

Charity registration number 1134513 (England and Wales)

Company registration number 07055355

YUSUF ISLAM FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

YUSUF ISLAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees and officers	Mr Yusuf Islam Dr Abdulkarim Khalil Mr Shabir Randeree Mr Muhammad Yoriyos Adamos
Foundation Manager	Mr Nathan McKenzie
Charity number	1134513
Company number	07055355
Registered office	The Maqam Centre Tiverton Road London NW10 3HJ
Auditor	AMS Accountants Corporate Ltd Floor 2 9 Portland Street Manchester M1 3BE
Bankers	HSBC Bank UK PLC 50-52 Kilburn High Road London NW6 4HJ
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment managers	Al Rayan Bank Whitechapel Branch 97-99 Whitechapel Road London E1 1DT

YUSUF ISLAM FOUNDATION

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YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are the furtherance of the religion of Islam and the furtherance of Islamic education in accordance with the teachings of the Holy Qur'an and the Sunnah of the Prophet Muhammad. The general charitable activities of the charity are education/training, community development, the prevention or relief of poverty, religious activities, and arts/culture/heritage.

In order to achieve its objectives, the charity provides the use of its two school properties by Islamia Schools Limited, provides rent-free accommodation to the voluntary-aided, Islamia Primary School, and deploys its resources to support the local and Muslim community. The charity also works with the commercial, ground floor tenant of its Maqam Centre to support local community faith-based engagement and secular relief activities, and continues to plan the development the centre's upper floors for community use.

Additionally, as part of the charity's activities, scholarships are awarded to pupils of its schools and grants are made to individuals and organisations that share similar charitable objectives or activities. These are subject to strict due diligence processes and delivered in accordance with the objects of the charity.

The group funds its activities by generating income in the form of investment income, rental income from its property investments, school fees, and donations. The charity's senior management team ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on a quarterly basis.

The charity operates three subsidiaries, details of which can be found in Notes 1 and 18. The school operations are operated through Islamia Schools Limited, a registered charity controlled by the Yusuf Islam Foundation.

Public benefit

The trustees confirm that they have complied with their duty under Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Foundation's charitable activities directly benefit the public through educational provision, particularly by operating Islamia Girls School and Brondesbury College, which provide access to quality education.

The Foundation also supports wider community welfare initiatives, such as food relief programs that deliver over one million meals to underserved populations globally. Additionally, the Foundation offers scholarships and free access to community facilities, ensuring that financial constraints do not restrict access to education and community resources. These activities advance education, relieve poverty, and promote inclusivity and social welfare, directly benefiting both the local Muslim community and broader society.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reserves and Investment Policy

The trustees have determined that, after taking into account fixed asset balances, the charity should hold reserves that equate to at least three months of expenditure and enable it to continue to operate in the event of unforeseen financial difficulties. As of 31 March 2024, the charity holds £21,842,555 in total reserves.

These reserves provide a safety net against any potential reduction in funding and allow the charity to respond flexibly to opportunities for investment in strategic projects, such as the expansion of the scholarship programme and the development of the Maqam Centre. The reserves will also be used to cover any unexpected costs related to property maintenance or urgent charitable needs.

The trustees have considered the most appropriate policy for investing the funds of the charity to ensure the Foundation has sufficient uncommitted and readily accessible assets to cover overheads or any unanticipated short-term need. This includes short-term and low-risk cash investments, which are included in the balance sheet of the charity as current asset investments, and longer-term property investments.

The Foundation's property investment assets include both residential and commercial properties in central London, which are managed by external third party property management agents and generate rental income to fund the charitable activities of the group. Internal quarterly reports to the trustees provide updates on these investment assets.

Related parties

Transactions between related parties during the year, by virtue of shareholding or common trustees, are disclosed in the notes to the financial statements.

Going Concern

The trustees remain confident that they would be able to continue the activities of the charity in the event of a significant reduction in funding. The charity's unrestricted funds are £21.8m and the cash balance of the group is approximately £1.5m.

The trustees continue to benefit from the income-generating investment properties the charity owns but remain cognisant that property-related income relies on the payment of rent from commercial and residential tenants. As part of their going concern considerations, trustees exercise judgement and flexibility with respect to rental income arrangements and regularly review rental income levels.

The trustees are also aware of the benefit of future music publishing contractual opportunities available to Firecat Music Limited, its wholly-owned trading subsidiary. Maqamat Limited will have potential trading income from the Maqam Centre upon completion of the upper floors, with construction expected to commence in 2025/26.

Trustees continue to closely monitor student numbers within the context of its going concern considerations, with any weaker enrolment numbers being offset through the continuation of a budgetary savings drive. The charity has continued to increase its marketing to boost enrolment numbers. Additionally, to ease the financial burden on parents/guardians and increase the recoverability of fee income, the schools maintained amended terms and conditions to allow greater flexibility to enable fee payment over an extended period, where appropriate.

Based on a review of cashflows and forecasts covering a year from the date of this report, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Strategic report

The principal objectives for the year were:

- a review of the Foundation's current and future activities, in line with its charitable objectives;
- awarding of 'Good' (or higher) grade from Ofsted for Islamia Girls School;
- prevention or relief of poverty and hunger, through the provision of no less than one million meals, delivery of food banks, breakfast clubs, emergency food and disaster relief, and the installation of water wells and solar energy stations.
- an increase in rental yields from the Foundation's property investment portfolio;
- delivering a school improvement programme through a review of the schools' administrative and support functions;
- enhanced investment in education through an increase in the scholarship programme; and
- a formal study of the development potential of the Foundation's property portfolio.

Achievements and performance

Significant activities and achievements against objectives

The Foundation has committed significant funds to the running of its highly successful secondary schools in London, through its subsidiary Islamia Schools Limited. The effective running of Islamia Girls School and Brondesbury College has ensured that both schools remain among the most academically successful educational institutions in London.

The most recent GCSE results show that, once again, both the secondary schools have performed excellently. At Brondesbury College, 100% of students achieved 5 or more Grades 9-6 and 94% of students at Islamia Girls Schools achieved 5 or more Grades 9-5.

Islamia Girls School received an Ofsted inspection from 4 to 6 July 2023 and was awarded Outstanding ratings in terms of student behaviour and attitudes, as well as their personal development, with the school receiving a Good rating for the quality of education and for leadership and management. The overall effectiveness was rated as Good.

A strategic review of the charity's schools was also completed during the reporting period, resulting in the adoption of a new non-academic staff structure, the appointment of a School Business Manager and Deputy School Business Manager, and the provision of new recreation facilities at the charity's schools.

As a mainstay of the Foundation's education activities, 22 scholarships, valued at £44,014 (2023: £40,460) and awarded on a basis of need and merit, were awarded to students at the secondary schools. It also continued to provide rent-free accommodation to the voluntary-aided Islamia Primary School, as well as supporting local and Muslim organisations through the cost-free facility use.

The prevention or relief of poverty and hunger continued to be a key component of the Foundation's charitable activities during the reporting period, with more than one million meals provided during the reporting period through its project, Peace Train. Through this project, the charity delivered food relief in several countries, including working with Magic Breakfast to deliver approximately 215,000 meals around the UK, as well as providing food banks in South Africa, emergency food aid in Yemen, food parcels to Afghani refugees in Pakistan, and installed several solar water and energy schemes around the world.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Fundraising practices

The Foundation engages in a variety of fundraising activities, including receiving voluntary donations, and also receives income from its property investments. During the reporting period, the charity did not employ any professional third-party fundraisers. All fundraising efforts were conducted in-house by our staff and students. The trustees are committed to ensuring that fundraising practices are transparent, legal, and respectful. The Foundation complies with the Charity Commission's fundraising guidance and adheres to the Fundraising Regulator's Code of Fundraising Practice. There have been no complaints received regarding our fundraising activities in the reporting period.

Financial review

The Statement of Financial Activities on page 11 shows a net group deficit of £153,790 (2023: £255,452) The trustees consider the state of the charity's affairs to be satisfactory.

At the year end, overall reserves totaled £21,842,555 (2023: £21,996,345) with £21,059,735, (2023: £20,592,229 relating to fixed assets balance, and £111,497 being restricted (2023: £173,827). The charity retains reserves as a contingency against operational risks and for investment in strategic projects such as the development of the Maqam Centre and refurbishment of the school properties.

The principal funding sources of the group are from investment income (including rental income), school fees paid by parents of students, and donations. Royalties paid to the subsidiary, Firecat Music Limited, are paid as advances when new publishing deals are negotiated and signed. All expenditure in the year has been on the furtherance of education and community initiatives, including relief of poverty, through spending on the school operations, grants given for scholarships or donations to other charities and organisations that carry out similar activities.

Principal risks and vulnerabilities

The trustees acknowledge their responsibility to manage the risks faced by the charity. The trustees regularly review the key risks facing the charity and have established procedures to mitigate those risks. The primary risks identified are financial sustainability, compliance with regulatory requirements, reputational risks, and operational risks in the management of school facilities and charitable activities. To mitigate these risks, the trustees implement the following:

- Financial risk management: A comprehensive budgeting process is in place, with quarterly financial reports reviewed by the trustees. Reserves policies are strictly adhered to in order to ensure sustainability.
- Regulatory compliance: Regular internal audits are conducted to ensure compliance with Charity Commission regulations and educational standards set by Ofsted and the Independent Schools Inspectorate.
- Reputational risk management: The charity has adopted a public relations strategy that includes media monitoring and regular communication with stakeholders to maintain trust and transparency.
- Operational risks: Key personnel and senior management teams are tasked with ensuring that all charity and school operations are effectively managed, with continuous staff training to address any gaps in operational efficiency.

The upcoming application of VAT to private schools poses a financial risk for the Foundation's subsidiary, Islamia Schools Limited, due to the likelihood of needing to significantly increase tuition fee levels. As a result, there is a risk of reduced enrolment, which could strain the school's finances. Additionally, VAT compliance would increase administrative burdens and associated costs. Careful management and professional advice are essential to mitigate these risks and have been engaged.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

As part of the strategic review of the schools, a bench-marking assessment of the performance and educational approach of faith-based secondary schools in England, particularly Muslim-faith schools, was developed, as well as a comprehensive survey of the schools' stakeholders. The results of these actions are being used to develop a new, three-year strategy for the schools' development. The Foundation is also exploring ways to enlarge its scholarship programme to provide greater support to those in need, and working in co-operation with other charities for the benefit of the Muslim and wider community.

The charity is continuing to develop the Maqam Centre, which will be a landmark addition to London's multicultural landscape when completed and provide a state-of-the-art facility for contemplative and creative expression, where the community at large, professionals, academics and artists can meet, work and interact.

Trustees are also actively looking to the long-term future of the Foundation and are considering ways to maximise the income from its assets, in order to broaden the range and impact of its activities in pursuit of its charitable objectives.

Structure, governance and management

The Yusuf Islam Foundation (the 'Foundation') is a charitable company, limited by guarantee, and constituted by its Memorandum and Articles of Association, dated 23 October 2009. The company registered as a charity on 25 February 2010. Yusuf Islam Foundation is the parent entity of the group and its subsidiaries are: Islamia Schools Limited (Charity no. 1134516 / Company no. 07055378); Firecat Music Limited (Company no. 01822129); and Maqamat Limited (Company no. 07183033).

The charity is governed by its Board of Trustees, who are also directors for the purpose of company law. The Trustees meet and communicate regularly to review the performance of the Foundation, consider risks and issues affecting the Foundation, and to review the future plans of the Foundation

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Fawziah Islam

(Resigned 4 September 2024)

Mr Yusuf Islam

Dr Abdulkarim Khalil

Mr Shabir Randeree

Mr Muhammad Yoriyos Adamos

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of trustees

The Trustees are responsible for the strategic direction, policy and overall governance of the charity. The implementation of strategy, once agreed, and the day-to-day running and management of the charity's activities is delegated to senior management.

Appointment of new trustees is governed by the Memorandum and Articles of Association of the Foundation, with appointments determined following a skills audit to ensure the board has diverse knowledge and expertise.

During the reporting period, no changes were made to the charity's governance structure or trustees; however, Mrs Islam resigned as a trustee prior to signing. No trustees had any beneficial interest in the charity, and no remuneration or expenses of trustees was paid by the charity.

Trustees maintain a good working knowledge of charity and company law and best practice. Trustees are provided with training in order to carry out their duties to the best of their abilities and in the best interests of the charity. Training and induction is provided on an ad hoc basis for all trustees as necessary. An information pack was issued to each trustee containing internal reports, the latest Charity Commission guidance on a range of matters as well as updated editions of the charity's policies. This pack is routinely updated with new guidance.

Key personnel remuneration is determined with reference to publicly available data and the advice of independent recruitment consultants. The Foundation Manager is remunerated through the Foundation. The trustees consider that conditions of service are set at an appropriate level and in line with medians in the charity sector, and compliant with legislation. All salary recommendations are approved by the trustees. A pension scheme in line with established legislation is in place.

Statement of trustees' responsibilities

The trustees, who are also the directors of Yusuf Islam Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

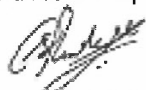
Auditor

In accordance with the company's articles, a resolution proposing that AMS Accountants Corporate Ltd be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



.....
Mr Shabir Randeree
Trustee

Date: 27/11/2024

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Opinion

We have audited the financial statements of Yusuf Islam Foundation (the 'charitable company') and its subsidiaries ('the group') for the year ended 31 March 2024 which comprise the statement of financial activities, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and the parent 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 group's and the parent 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

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 purpose 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 group's and the parent 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.

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

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

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Based on our understanding of the charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

AMS Accountants Corporate Ltd

Andrew Davis ACCA CTA FMAAT (Senior Statutory Auditor)

For and on behalf of AMS Accountants Corporate Ltd, Statutory Auditor

Chartered Accountants

Floor 2

9 Portland Street

Manchester

M1 3BE

Date: *27/11/2024*

YUSUF ISLAM FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	190,822	188,779	379,601	3,407	442,182	445,589
Charitable activities	5	1,761,390	-	1,761,390	1,643,351	-	1,643,351
Other trading activities	4	-	-	-	8,114	-	8,114
Investments	6	470,018	-	470,018	427,923	-	427,923
Other income	7	23,489	-	23,489	39,088	-	39,088
Total income		2,445,719	188,779	2,634,498	2,121,883	442,182	2,564,065
Expenditure on:							
Raising funds	8	164,936	-	164,936	166,935	-	166,935
Charitable activities	9	2,393,541	229,811	2,623,352	2,189,239	463,343	2,652,582
Total expenditure		2,558,477	229,811	2,788,288	2,356,174	463,343	2,819,517
Net expenditure		(112,758)	(41,032)	(153,790)	(234,291)	(21,161)	(255,452)
Transfers between funds		21,298	(21,298)	-	-	-	-
Net movement in funds	10	(91,460)	(62,330)	(153,790)	(234,291)	(21,161)	(255,452)
Reconciliation of funds:							
Fund balances at 1 April 2023		21,822,518	173,827	21,996,345	22,056,809	194,988	22,251,797
Fund balances at 31 March 2024		21,731,058	111,497	21,842,555	21,822,518	173,827	21,996,345

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

YUSUF ISLAM FOUNDATION

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	Group 2024 £	2023 £	Charity 2024 £	2023 £
Fixed assets					
Tangible assets	16	13,638,284	13,612,229	13,659,745	13,667,434
Investment property	17	7,421,451	6,980,000	7,421,451	6,980,000
Investments	18	-	-	200	200
		<u>21,059,735</u>	<u>20,592,229</u>	<u>21,081,396</u>	<u>20,647,634</u>
Current assets					
Debtors	19	129,171	133,819	165,850	163,692
Cash at bank and in hand		<u>1,538,811</u>	<u>2,533,017</u>	<u>1,293,272</u>	<u>1,687,484</u>
		1,667,982	2,666,836	1,459,122	1,851,176
Creditors: amounts falling due within one year	20	<u>(714,212)</u>	<u>(1,131,420)</u>	<u>(541,392)</u>	<u>(432,491)</u>
Net current assets		<u>953,770</u>	<u>1,535,416</u>	<u>917,730</u>	<u>1,418,685</u>
Total assets less current liabilities		<u>22,013,505</u>	<u>22,127,645</u>	<u>21,999,126</u>	<u>22,066,319</u>
Creditors: amounts falling due after more than one year	21	<u>(170,950)</u>	<u>(131,300)</u>	<u>-</u>	<u>-</u>
Net assets		<u>21,842,555</u>	<u>21,996,345</u>	<u>21,999,126</u>	<u>22,066,319</u>
Income funds					
Restricted funds	23	111,497	173,827	132,795	173,690
Unrestricted funds	24	<u>21,731,058</u>	<u>21,822,518</u>	<u>21,866,331</u>	<u>21,892,629</u>
Net assets		<u>21,842,555</u>	<u>21,996,345</u>	<u>21,999,126</u>	<u>22,066,319</u>

The income and deficit of the parent charity for the year for Companies Act purposes is £684,328 and £87,273 deficit respectively (2023 : £912,599 and £55,197 deficit). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements were approved by the trustees on 27/11/2024.



 Mr Shabir Randeree
 Director

Company Registration No. 07055355

YUSUF ISLAM FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(966,875)		(369,268)
Investing activities					
Purchase of tangible fixed assets		(55,898)		(53,481)	
Purchase of investment property		(441,451)		-	
Investment income received		470,018		427,923	
Net cash (used in)/generated from investing activities			(27,331)		374,442
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(994,206)		5,174
Cash and cash equivalents at beginning of year			2,533,017		2,527,843
Cash and cash equivalents at end of year			1,538,811		2,533,017

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Yusuf Islam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maqam Centre, Tiverton Road, London, NW10 3HJ. There are currently four trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding due to the level of unrestricted reserves and free cash reserves. For further information, please see consideration of going concern in the trustees' report. Based on a review of cash flows and forecasts covering a year from the date of signing the balance sheet, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

- Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.
- Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

- Investment income relates to rental income received in respect of the charity's investment properties and also interest receivable generated from the charity's cash investments.
- Deferred income is recognised and released on a proportioned basis, calculated by reference to the proportion of school fees invoiced in advance.
- Charitable activities relate to school fees receivable by Islamia Schools Limited, in respect of the two schools run by that charity being Islamia Girls' School and Brondesbury College for boys, based in Queens Park and Brondesbury Park, London respectively.
- Other trading activities relate to the receipt of royalties by the charity's subsidiary, Firecat Music Limited, income from funds transferred from unincorporated entities for the furtherance of charitable activities, and other income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes:

Grant funding of activities is recognised on the basis that the charity has an obligation, when transfer of the funding is probable and the amount of the obligation and can be measured or estimated reliably. Grants are made at the discretion of the trustees on a case-by-case basis.

Activities undertaken directly relate to directly attributable costs in pursuance of the charity's objectives and an allocation of support costs. Support costs are allocated in line with the basis that they relate to the charitable activities of the charity but are not directly related to the income generated from such activities. The vast majority of support costs comprise teaching and administration salaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trusts programmed and activities. These costs have been allocated between cost of teaching, promotional work and expenditure on community centre activities. The bases on which support costs have been allocated are set out in the notes to the financial statements. No support costs are allocated to fundraising or grant making on the grounds of materiality.

Governance costs are included in support costs and relate to accountancy, audit, legal and professional advice provided to the group.

Expenditure on raising funds relates to professional income payable and royalties payable by the charity's subsidiary, Firecat Music Limited, and are recognised on an accruals basis. Also included are maintenance costs relating to property investment income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Leasehold land and buildings	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Freehold land and assets relate to a long term leasehold flat, 131B Salusbury Road, as well as school properties located at 8 Brondesbury Park and 129 Salusbury Road, London NW6. the property values stated in these accounts are cost. The trustees consider that the useful economic life of these buildings is sufficiently long and the market value is in excess of cost. Accordingly, the trustees are satisfied that no depreciation needed to be charged in the accounts against the value of the buildings as 95% of the value relates to land and therefore the depreciation charge would be immaterial.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. The trustees are satisfied that no adjustment for depreciation, impairment of valuation is needed until the centre is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Functional property of Islamia Schools Limited consists of furniture, fixtures and equipment. Furniture, fixtures and equipment is depreciated in accordance with the depreciation policy stated above.

The charity has no heritage assets. Any items below £500 or not considered to have a useful economic life of more than one year are not capitalised. Impairment reviews are carried out by the trustees on an annual basis to assess whether any impairment of fixed assets needs to be made in the financial statements.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (Chapters 2 and 3 or part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Basis of consolidation

The trading activities of the charity's wholly owned subsidiary, Firecat Music Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Firecat Music Limited's results relate to the accounting period up to 31 March 2024.

The activities of the trading subsidiary, Maqamat Limited, are incorporated in the accounts and consolidated on a line-by-line basis. Maqamat Limited's results relate to the accounting period up to 31 March 2024.

The trading activities of the charity's wholly owned subsidiary, Islamia Schools Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Islamia Schools Limited results relate to the accounting period up to 31 March 2024.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.15 Fund accounting

The charity's reserves are allocated between restricted and unrestricted funds.

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion.

The purpose and use of the restricted funds is set out in note 23 to the financial statements.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Fair value of investment properties

The trustees engage a Chartered Surveyor to carry out a valuation of investment properties held by the charity at regular intervals. During the interim periods, the trustees review rent yields in consultation with the charity's property manager to ensure that fair value has remained consistent with prior years.

The Maqam Centre is currently held as assets under construction. Upon completion of the on-going development, when the Centre comes into full operation, it will be transferred to investment property status.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	190,822	188,779	379,601	3,407	442,182	445,589
	=====	=====	=====	=====	=====	=====

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Non-charitable trading activities	-	8,114

5 Charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
School fees receivable	1,761,390	1,643,351

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	470,018	427,923

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other Income	23,489	39,088

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
<u>Trading costs</u>		
Music publishing trading costs	100,796	113,687
Investment management and property trading costs	64,140	53,248
	<u>164,936</u>	<u>166,935</u>

9 Expenditure on charitable activities

	Activities undertaken directly	Activities undertaken directly
	2024	2023
	£	£
Direct costs		
Staff costs	1,561,036	1,358,272
Depreciation and impairment	29,843	19,364
Teaching	845,305	1,010,325
	2,436,184	2,387,961
Share of support and governance costs (see note 11)		
Governance	187,168	264,621
	2,623,352	2,652,582
Analysis by fund		
Unrestricted funds	2,393,541	2,189,239
Restricted funds	229,811	463,343
	<u>2,623,352</u>	<u>2,652,582</u>

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	14,250	14,250
Depreciation of owned tangible fixed assets	29,843	19,364

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Support & Governance costs

	Support costs	Governance costs	2024 Support costs	Governance costs	2023
	£	£	£	£	£
Legal and professional costs	-	103,016	103,016	-	169,890
Audit and accounts	-	53,824	53,824	-	94,731
Other	-	30,328	30,328	-	-
	<u>-</u>	<u>187,168</u>	<u>187,168</u>	<u>-</u>	<u>264,621</u>

Governance costs relate to legal, audit and accountancy work. Support costs include utilities, teaching resources, office costs, repairs and maintenance as well as depreciation.

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits from the charity during the year.

13 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2024 £	2023 £
Audit of the charity's annual accounts	14,250	14,250
Other services to the group		
- Audit of the charity's subsidiaries	15,000	13,500
Total audit fees	<u>29,250</u>	<u>27,750</u>

14 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Staff	47	45
Directors	5	5
Total	<u>52</u>	<u>50</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14	Employees	(Continued)	
	Employment costs	2024 £	2023 £
	Wages and salaries	1,392,178	1,212,669
	Social security costs	133,686	114,142
	Other pension costs	35,172	31,461
		<u>1,561,036</u>	<u>1,358,272</u>

The key management personnel of the parent Charity are noted on the legal and administration page. The total remuneration (including pension and national insurance contributions) of the key management personnel of the Charity totalled £140,570 (2023 - £50,746).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 to £100,000	<u>2</u>	<u>1</u>

15 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Tangible fixed assets									
Group									
Cost									
At 1 April 2023	4,701,094	458,173	8,384,222	130,947	29,980	13,704,416			
Additions	-	-	-	55,898	-	55,898			
At 31 March 2024	4,701,094	458,173	8,384,222	186,845	29,980	13,760,314			
Depreciation and impairment									
At 1 April 2023	-	-	-	72,839	19,348	92,187			
Depreciation charged in the year	-	-	-	23,847	5,996	29,843			
At 31 March 2024	-	-	-	96,686	25,344	122,030			
Carrying amount									
At 31 March 2024	4,701,094	458,173	8,384,222	90,159	4,636	13,638,284			
At 31 March 2023	4,701,094	458,173	8,384,222	58,108	10,632	13,612,229			

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Investment property

	2024 £
Group and company	
Fair value	
At 1 April 2023	6,980,000
Additions through external acquisition	441,451
At 31 March 2024	<u>7,421,451</u>

Investment property comprises freehold and leasehold land and buildings. Investment property is stated at fair value based on the last valuation carried out in November 2021 by a FRICS qualified surveyor on an open market basis by reference to market evidence of similar property valuations.

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices. The next independent valuation will be undertaken in 2026.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2024 £	2023 £
Cost	7,203,529	6,762,078
Accumulated depreciation	-	-
Carrying amount	<u>7,203,529</u>	<u>6,762,078</u>

18 Fixed asset investments

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Cost or valuation				
At 1 April 2023	-	-	-	-
Investments in subsidiaries	-	-	200	200
At 31 March 2024	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>

Details of the company's subsidiaries at 31 March 2024 are as follows, all subsidiaries are held at cost :

Name of undertaking	Class of share held	% held
Maqamat Ltd	Ordinary	100
Firecat Music Ltd	Ordinary	100
Islamia Schools Ltd	Ordinary	100

All the subsidiaries have the same registered office address

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

19 Debtors

	Group 2024	2023	Charity 2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	57,049	66,799	41,822	35,742
Amounts owed by subsidiary undertakings	-	-	99,369	72,106
Other debtors	33,053	18,845	14,207	2,207
Prepayments and accrued income	39,069	48,175	10,452	53,637
	<u>129,171</u>	<u>133,819</u>	<u>165,850</u>	<u>163,692</u>

20 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	8,381	68,330
Trade creditors	63,314	109,465
Other creditors	155,905	276,944
Accruals and deferred income	486,612	676,681
	<u>714,212</u>	<u>1,131,420</u>

21 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Other creditors	<u>170,950</u>	<u>131,300</u>

22 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>35,172</u>	<u>31,461</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Peace Train	152,529	188,779	(229,811)	-	111,497
Scholarship fund	21,298	-	-	(21,298)	-
	<u>173,827</u>	<u>188,779</u>	<u>(229,811)</u>	<u>(21,298)</u>	<u>111,497</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
Peace Train	173,690	442,182	(463,343)	-	152,529
Scholarship fund	21,298	-	-	-	21,298
	<u>194,988</u>	<u>442,182</u>	<u>(463,343)</u>	<u>-</u>	<u>173,827</u>

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
General funds	<u>21,822,518</u>	<u>2,445,719</u>	<u>(2,558,477)</u>	<u>21,298</u>	<u>21,731,058</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
General funds	<u>22,056,809</u>	<u>2,121,883</u>	<u>(2,356,174)</u>	<u>-</u>	<u>21,822,518</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	13,638,284	-	13,638,284
Investment properties	7,421,451	-	7,421,451
Current assets/(liabilities)	842,273	111,497	953,770
Long term liabilities	(170,950)	-	(170,950)
	<u>21,731,058</u>	<u>111,497</u>	<u>21,842,555</u>

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	13,612,229	-	13,612,229
Investment properties	6,980,000	-	6,980,000
Current assets/(liabilities)	1,361,589	173,827	1,535,416
Long term liabilities	(131,300)	-	(131,300)
	<u>21,822,518</u>	<u>173,827</u>	<u>21,996,345</u>

26 Cash absorbed by operations

	2024 £	2023 £
Deficit for the year	(153,790)	(255,452)
Adjustments for:		
Investment income recognised in statement of financial activities	(470,018)	(427,923)
Depreciation and impairment of tangible fixed assets	29,843	19,364
Movements in working capital:		
(Increase)/decrease in stocks	-	29,532
Decrease in debtors	4,648	248,963
(Decrease)/increase in creditors	(377,558)	16,248
Cash absorbed by operations	<u>(966,875)</u>	<u>(369,268)</u>

27 Analysis of changes in net funds

The charity had no material debt during the year.

28 Related party transactions

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

28 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2024	2023
	£	£
Amounts owed to related parties	93,393	79,187
	<u>93,393</u>	<u>79,187</u>

The Charity has taken the exemption under FRS102 not to disclose group transactions with wholly owned subsidiaries.

YUSUF ISLAM FOUNDATION

England & Wales - Charity number 1134513

Accounts

Charity registration number 1134513

Company registration number 07055355 (England and Wales)

YUSUF ISLAM FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

YUSUF ISLAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Fawziah Islam Mr Yusuf Islam Dr Abdulkarim Khalil Mr Shabir Randeree Mr Muhammad Yoriyos Adamos
Foundation Manager	Mr Nathan McKenzie
Charity number	1134513
Company number	07055355
Registered office	The Maqam Centre Tiverton Road London NW10 3HJ
Auditor	AMS Accountants Corporate Ltd Chartered Accountants Floor 2 9 Portland Street Manchester M1 3BE
Bankers	HSBC Bank UK PLC 50-52 Kilburn High Road London NW6 4HJ
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR
Investment managers	Al Rayan Bank Whitechapel Branch 97-99 Whitechapel Road London E1 1DT

YUSUF ISLAM FOUNDATION

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YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are the furtherance of the religion of Islam and the furtherance of Islamic Education in accordance with the teachings of the Holy Qur'an and the Sunnah of the Prophet Muhammad. The general charitable activities of the charity are education/training, community development, the prevention or relief of poverty, religious activities, and arts/culture/heritage. These are delivered via grants to both individuals and organisations, acting as an umbrella body, and providing buildings, facilities and open space.

In order to achieve the objectives, the charity continues to allow use of its two school properties by Islamia Schools Limited and continues to assess the use of other assets. The charity is also continuing with the development of the Maqam Centre where the ground floor is now leased to a third party and open to the public, with the fit out of the upper floors to follow.

As part of the charity's activities, grants are made to individuals and institutions that share similar charitable objectives or activities. This is subject to due diligence and in accordance with the objects of the charity.

The group funds its activities by generating income in the form of investment income, school fees, and donations. The management structure ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on a quarterly basis.

The charity operates a number of subsidiaries, details of which can be found in notes 1 and 17. The school operations are operated through Islamia Schools Limited, a registered charity controlled by the Yusuf Islam Foundation.

Public benefit

The trustees confirm that they have complied with their duty under Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when delivering the aims and objectives of the charity, and in planning future activities.

The prevention or relief of poverty and hunger continues to be a key component of the Foundation's public benefit activities through its project, Peace Train, which includes the delivery of food banks, breakfast clubs, emergency food and disaster relief, and the installation of solar water and energy schemes.

The charity also delivers public benefit through the provision of its school properties to Islamia Schools Limited, the rent-free provision of facilities to the Islamia Primary School, its grant making programme, the principal beneficiaries of which are individuals and institutions that share similar charitable objectives and activities to the Foundation, and its scholarship scheme, which benefits students at the educational institutions under the charity's umbrella.

The Maqam Centre, when completed, will be a focal point for the charity's future community and cultural activities and a natural expression of public benefit.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves and Investment Policy

The trustees have determined that, after taking into account fixed asset balances, the charity should hold reserves that equate to at least three months of expenditure. At the year to March 2023, the charity's reserves covered almost 6 months of expenditure.

The trustees have considered the most appropriate policy for investing the funds of the charity to ensure the Foundation has sufficient uncommitted and readily accessible assets to cover overheads or any unanticipated short-term need.

This includes short-term and low-risk cash investments, which are included in the balance sheet of the charity as current asset investments, and longer-term property investments.

The Foundation's property investment assets include both residential and commercial properties in central London, which are managed by external third party property management agents and generate rental income to fund the charitable activities of the group. Internal quarterly reports to the trustees provide updates on these investment assets.

Strategies for achieving aims and objectives

Going Concern

The trustees remain confident that they would be able to continue the activities of the charity in the event of a significant reduction in funding. The charity's unrestricted funds are £22m and the cash balance of the group is approximately £2.5m. The trustees continue to invest in, and benefit from, the income-generating investment properties the charity holds but remain cognisant that property related income relies on the payment of rent from commercial and residential tenants. As part of their going concern considerations, trustees exercise judgement and flexibility with respect to rental income arrangements and did maintain a repayment plan with one of the charity's commercial tenants during the reporting period to recover outstanding rent arrears arising from the COVID-19 period. This arrangement ceased during the reporting period, with all arrears recovered.

The trustees are also aware of the benefit of future music publishing contractual opportunities available to Firecat Music Limited, its wholly-owned trading subsidiary. Maqamat Limited will have potential trading income from the Maqam Centre upon completion of the upper floors, with construction expected to commence in 2024/25.

Trustees continue to closely monitor student numbers within the context of its going concern considerations, with weaker enrolment numbers being offset through the maintenance of a budgetary savings drive. The charity has also increased its marketing to boost enrolment numbers, including the development of new websites for the schools, and student numbers are forecast to increase in the 2023/24 academic year. Additionally, to ease the financial burden on parents/guardians and increase the recoverability of fee income, the schools maintained amended terms and conditions to allow greater flexibility to enable fee payment over an extended period.

Based on a review of cashflows and forecasts covering a year from the date of this report, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

Related parties

Transactions between related parties during the year, by virtue of shareholding or common trustees, are disclosed in the notes to the financial statements.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Strategic report

The principal objectives for the year were:

- continued operations of the schools and increase in student numbers;
- delivering a school improvement programme through independent reviews;
- investment in education through the scholarship programme;
- continuing to strengthen the Foundation's property investment portfolio to provide income for our charitable activities and develop an enhanced offering to the local community through the provision of facilities;
- a formal study of the development potential of the Foundation's property portfolio;
- support of community initiatives by taking forward the development of the Maqam Centre;
- prevention or relief of poverty and hunger, through the delivery of food banks, breakfast clubs, emergency food and disaster relief, and the installation of water wells and solar energy stations.

The Yusuf Islam Foundation Group has committed significant funds to the running of its highly successful secondary schools in London, through its subsidiary Islamia Schools Limited. The effective running of Islamia Girls School and Brondesbury College has ensured that both schools remain among the most academically successful educational institutions in London. The activities of the charity provided for some 213 students across both secondary schools.

Achievements and performance

Significant activities and achievements against objectives

During the reporting period, the Foundation, through its Peace Train project, worked with carefully selected, local delivery partners to provide hunger relief through the delivery of feeding programmes in the UK, Afghanistan, Lebanon, Pakistan, Turkey and Yemen.

The charity's relief activities also included responding to the devastating earthquake in Turkey in early 2023 through the delivery of provisions including fuel, food, water, blankets, bedding and emergency clothing, and the provision of winter relief materials to families in Afghanistan. Collectively, these efforts delivered in excess of 1.2 million meals to those in need, including over 200,000 meals in the UK.

The Foundation also delivered a solar powered water and energy scheme in Pakistan and commenced community development projects in the UK and Greece, including the planned installation of a playground at Shaftesbury Park Primary School (UK) and a Café / Safe Space for refugees (Greece), delivered in partnership with Goodwill Caravan.

COVID-19 had an impact on the delivery of education during the year. The charity, together with its subsidiary, Islamia Schools Limited, adapted its systems as necessary so that the schools were able to continue to offer lessons to all students as per the regular timetable. Both secondary schools are now presently running as normal.

The most recent GCSE results show that, once again, both the secondary schools have performed excellently. 100% of students at Islamia Girls School attained five or more 9 to 4 grades and 88% of students at Brondesbury College achieved five or more 9 to 5 grades. To explain: the bottom of a grade 7 is comparable to the bottom of the old GCSE grade A, and the bottom of a new grade 4 is comparable to the bottom of the old GCSE grade C.

Brondesbury College received a scheduled compliance visit from the Independent Schools Inspectorate (ISI) between 25 to 26 January 2023. The inspection confirmed that the school meets the standards of the Education (Independent School Standards) Regulations 2014. In particular, the visit highlighted that the standards in relation to the quality of education and in respect of the students' spiritual, moral, social, and cultural development are met.

Islamia Girls School received a follow-up Ofsted inspection visit on 12 July 2022, which confirmed that the school meets all of the independent school standards that were checked during the inspection. A report was published to this effect on 3 October 2022. The school was inspected again by Ofsted just outside of the reporting year from 4 to 6 July 2023. Islamia Girls School was awarded Outstanding ratings in terms of student behaviour and attitudes as well as their personal development and the school was awarded a Good rating for the quality of education and for leadership and management. The overall effectiveness was rated as Good.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

In light of the COVID-19 pandemic and the impact it had on all sectors including on our charity and our schools, the trustees and senior management within the organisation have worked to ensure that our structures allow us to maintain parallel systems whereby under similar circumstances in the future our schools can continue to provide a seamless teaching and learning experience to all students.

As a mainstay of the Foundation's activities, scholarship grants of £40,460 (2022: £47,302), which are provided on the basis of need and merit, were awarded to students at the secondary schools.

The Foundation's Maqam Centre promises to be a landmark addition to London's multicultural landscape and is currently providing health, fitness and social spaces that are open to the public under the management of Swimming Nature, a local business with over twenty years' experience in the swimming and leisure industry. Efforts to deliver the fit out of the upper floors, has been paused pending consideration of a design review.

The Foundation continues to manage commercial and residential investment properties, the income from which helps to fund the Foundation's charitable activities. Managing agents have been appointed to oversee the various investment properties and conduct rent reviews on a periodic basis.

Financial review

The Statement of Financial Activities on page 11 shows a net group deficit of £255,452 (2022: £241,983).

The trustees consider the state of the charity's affairs to be satisfactory.

At the year end, overall reserves totalled £21,966,345 (2022: £22,251,797), with £20,592,229, (2022: £20,558,112) relating to fixed asset balances, and £173,827 being restricted (2022: £194,988). The charity retains reserves as a contingency against operational risks and for investment in strategic projects such as the development of the Maqam Centre and refurbishment of the school properties.

The principal funding sources of the group are from investment income (including rental income), school fees paid by parents of students, and donations. Royalties paid to the subsidiary, Firecat Music Limited, are paid as advances when new publishing deals are negotiated and signed. All expenditure in the year has been on the furtherance of education and community initiatives, including relief of poverty, through spending on the school operations, grants given for scholarships or donations to other charities and organisations that carry out similar activities.

Principal risks and vulnerabilities

The trustees acknowledge their responsibility to manage the risks faced by the charity. They have identified and given due consideration to the principal risks to which the charity may be exposed and are satisfied that systems are in place to mitigate those risks. Nevertheless, trustees continue to enhance the charity's control systems through the planned implementation of a formal requirement for the comprehensive and periodic review of the charity's risk and policies registers, and associated policies, and completion of an independent review of the charity's risk management practices.

The integrity of the Foundation's reputation is a significant risk and asset of the charity, and trustees are confident that sufficient due diligence procedures, media monitoring and management expertise exists to enable the charity's reputation to remain strong and that it is regarded as a trusted and effective organisation and partner.

Trustees are satisfied that the value held in the accounts does not require any adjustments but, in line with established practice, will continue to seek regular and independent estimated valuations of the investment properties in this regard. The charity's property assets are managed by external property management agencies and regular reviews of the portfolio, within the context of the property rental market, are undertaken to ensure that it maximises its potential.

Following the impact of COVID-19 on the charity's operations, including income generation from its investment property portfolio and its educational activities, the charity has incorporated this type of risk into its risk identification, assessment and mitigation procedures. The trustees will consider future opportunities to increase the investment portfolio, particularly residential assets, and will also review the successful adoption of payment plans for its commercial tenants, and amended school fee payment schedules, during the COVID-19 period, deploying these mechanisms again in the future, as required.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

A review of the charity's structure concluded during the reporting period, which resulted in the appointment of a new Foundation Manager.

The charity is planning to continue the work of developing the Maqam Centre with the opening of the ground floor having already taken place. Following the opening of all floors of the Maqam Centre it is expected to be a very busy and exciting period in the delivery of the charity's activities. Funds are currently required to complete the upper floors and fundraising is planned for that purpose. The trustees are presently working with a leading firm of architects to appraise the development potential of several property assets.

Other future activities include the continued operations of the schools, including further enhancement and expansion of the facilities on the main purpose built school site on Salusbury Road NW6, enlarging our scholarship programme and working in co-operation with other charities for the public benefit. The charity will also continue with activities relating to the prevention or relief of poverty.

Structure, governance and management

The charity is a company limited by guarantee and incorporated under the Companies Act 2006. The company's governing document is its Articles of Association. Yusuf Islam Foundation is the parent entity of the group. Its subsidiaries are: Islamia Schools Limited (Charity no. 1134516. Company no. 07055378), Firecat Music Limited (Company no. 01822129), formally known as Salafa, and Maqamat Limited (Company no. 07183033).

The charity is governed by a Board of Trustees, who are also directors for the purpose of company law. The Trustees are responsible for the strategic direction, policy and overall governance of the charity. The implementation of strategy, once agreed, and the day-to-day running and management of the charity's activities is delegated to senior management.

During the reporting period, no changes were made to the charity's governance structure or trustees. No trustees had any beneficial interest in the charity and no remuneration or expenses of trustees was paid by the charity.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Fawziah Islam
Mr Yusuf Islam
Dr Abdulkarim Khalil
Mr Shabir Randeree
Mr Muhammad Yoriyos Adamos

Recruitment and appointment of trustees

The trustees are in regular communication and meet to discuss delivery of the objectives and strategic matters of the charity. A management structure is in place to provide controls and ensure the efficient and successful running of the charity. The trustees may appoint by ordinary resolution a person who is willing and eligible to be a trustee. Trustee vacancies are usually filled by carrying out a skills audit to ensure diversity and highlight the qualities and skills the charity needs. All members of the company are entitled to receive notice of any resolution to be put to a general meeting to appoint a trustee.

Trustees maintain a good working knowledge of charity and company law and best practice. Trustees are provided with training in order to carry out their duties to the best of their abilities and in the best interests of the charity. Training and induction is provided on an ad hoc basis for all trustees as necessary. An information pack was issued to each trustee containing internal reports, the latest Charity Commission guidance on a range of matters as well as updated editions of the charity's policies. This pack is routinely updated with new guidance.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

During the year, responsibility for managing external relationships, new initiatives, and for managing governance and relationships with the board formed part of the responsibility of the Executive Director, until March 2023 when the Foundation Manager was appointed.

The management structure ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on a regular (at least quarterly) basis. A Scholarship Funding Board meets at least once a year to approve scholarship applications.

Professional development during the year at trustee and senior management level was maintained to keep up to date with the latest legislation and developments in the charity and education sectors. The Foundation's senior managers are appraised by trustees who are not involved in the day to day running of the organisation.

The Foundation is constantly reviewing its policies and procedures and has continued to work with advisers during the year and also benefits from internal assessments, including self-assessments.

Arrangements for Setting Pay

The trustees consider that conditions of service are set at a decent level and in line with medians in the charity sector, and compliant with legislation. All salary recommendations are approved by the trustees. A modest pension scheme in line with established legislation is in place.

Key management remuneration

Key personnel remuneration is determined with reference to publicly available data and the advice of independent recruitment consultants. The former CEO, Foundation Manager and the Executive Director were/are remunerated through the Yusuf Islam Foundation.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Yusuf Islam Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

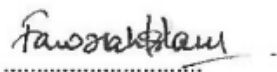
Auditor

In accordance with the company's articles, a resolution proposing that AMS Accountants Corporate Ltd be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Mrs Fawziah Islam
Trustee

22 November 2023

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Opinion

We have audited the financial statements of Yusuf Islam Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

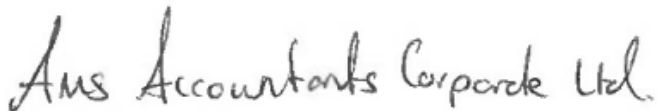
YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



Mr David Clegg BFP FCA (Senior Statutory Auditor)
for and on behalf of AMS Accountants Corporate Ltd

22 November 2023

Chartered Accountants
Statutory Auditor

Chartered Accountants
Floor 2
9 Portland Street
Manchester
M1 3BE

YUSUF ISLAM FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	3,407	442,182	445,589	407,730	14,054	421,784
Charitable activities	4	1,643,351	-	1,643,351	1,600,632	-	1,600,632
Other trading activities	5	8,114	-	8,114	124,524	-	124,524
Investments	6	427,923	-	427,923	384,971	-	384,971
Other income	7	39,088	-	39,088	70	-	70
Total income		2,121,883	442,182	2,564,065	2,517,927	14,054	2,531,981
Expenditure on:							
Raising funds	8	166,935	-	166,935	244,468	-	244,468
Charitable activities	9	2,189,239	463,343	2,652,582	2,529,496	-	2,529,496
Total expenditure		2,356,174	463,343	2,819,517	2,773,964	-	2,773,964
Net expenditure and movement in funds		(234,291)	(21,161)	(255,452)	(256,037)	14,054	(241,983)
Reconciliation of funds:							
Fund balances at 1 April 2022		22,056,809	194,988	22,251,797	22,312,846	180,934	22,493,780
Fund balances at 31 March 2023		21,822,518	173,827	21,996,345	22,056,809	194,988	22,251,797

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

YUSUF ISLAM FOUNDATION

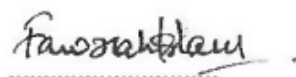
GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
Fixed assets					
Tangible assets	15	13,612,229	13,578,112	13,667,434	13,674,156
Investment property	16	6,980,000	6,980,000	6,980,000	6,980,000
Investments	17	-	-	200	200
		<u>20,592,229</u>	<u>20,558,112</u>	<u>20,647,634</u>	<u>20,654,356</u>
Current assets					
Stocks	18	-	29,532	-	29,532
Debtors	19	133,819	382,782	163,692	168,340
Cash at bank and in hand		2,533,017	2,527,843	1,687,484	1,690,519
		<u>2,666,836</u>	<u>2,940,157</u>	<u>1,851,176</u>	<u>1,888,391</u>
Creditors: amounts falling due within one year	20	(1,131,420)	(1,142,472)	(432,491)	(415,074)
Net current assets		<u>1,535,416</u>	<u>1,797,685</u>	<u>1,418,685</u>	<u>1,473,317</u>
Total assets less current liabilities		<u>22,127,645</u>	<u>22,355,797</u>	<u>22,066,319</u>	<u>22,127,673</u>
Creditors: amounts falling due after more than one year	21	(131,300)	(104,000)	-	-
Net assets		<u>21,996,345</u>	<u>22,251,797</u>	<u>22,066,319</u>	<u>22,127,673</u>
Income funds					
Restricted funds	22	173,827	194,988	173,690	173,690
Unrestricted funds	23	21,822,518	22,056,809	21,892,629	21,953,983
Net assets		<u>21,996,345</u>	<u>22,251,797</u>	<u>22,066,319</u>	<u>22,127,673</u>

The income and deficit of the parent charity for the year for Companies Act purposes is £912,599 and £55,197 deficit respectively (2022 : £857,946 and £246,597 deficit). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements were approved by the trustees on 22/11/2023.



Mrs Fawziah Islam
Director

Company Registration No. 07055355

YUSUF ISLAM FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(369,268)		(387,966)
Investing activities					
Purchase of tangible fixed assets		(53,481)		(41,500)	
Investment income received		427,923		384,971	
Net cash generated from investing activities			374,442		343,471
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			5,174		(44,495)
Cash and cash equivalents at beginning of year			2,527,843		2,572,338
Cash and cash equivalents at end of year			2,533,017		2,527,843

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Yusuf Islam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maqam Centre, Tiverton Road, London, NW10 3HJ. There are currently five trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding due to the level of unrestricted reserves and free cash reserves. For further information, please see consideration of going concern in the trustees' report. Based on a review of cash flows and forecasts covering a year from the date of signing, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

- Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.
- Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

- Investment income relates to rental income received in respect of the charity's investment properties and also interest receivable generated from the charity's cash investments.
- Deferred income is recognised and released on a proportioned basis, calculated by reference to the proportion of school fees invoiced in advance.
- Charitable activities relate to school fees receivable by Islamia Schools Limited, in respect of the two schools run by that charity being Islamia Girls' School and Brondesbury College for boys, based in Queens Park and Brondesbury Park, London respectively.
- Other trading activities relate to the receipt of royalties by the charity's subsidiary, Firecat Music Limited, income from funds transferred from unincorporated entities for the furtherance of charitable activities, and other income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes:

Grant funding of activities is recognised on the basis that the charity has an obligation, when transfer of the funding is probable and the amount of the obligation can be measured or estimated reliably. Grants are made at the discretion of the trustees on a case-by-case basis.

Activities undertaken directly relate to directly attributable costs in pursuance of the charity's objectives and an allocation of support costs. Support costs are allocated in line with the basis that they relate to the charitable activities of the charity but are not directly related to the income generated from such activities. The vast majority of support costs comprise teaching and administration salaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trusts programmed and activities. These costs have been allocated between cost of teaching, promotional work and expenditure on community centre activities. The bases on which support costs have been allocated are set out in the notes to the financial statements. No support costs are allocated to fundraising or grant making on the grounds of materiality.

Governance costs are included in support costs and relate to accountancy, audit, legal and professional advice provided to the group.

Expenditure on raising funds relates to professional income payable and royalties payable by the charity's subsidiary, Firecat Music Limited, and are recognised on an accruals basis. Also included are maintenance costs relating to property investment income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Leasehold land and buildings	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Freehold land and assets relate to a long term leasehold flat, 131B Salusbury Road, as well as school properties located at 8 Brondesbury Park and 129 Salusbury Road, London NW6. the property values stated in these accounts are cost. The trustees consider that the useful economic life of these buildings is sufficiently long and the market value is in excess of cost. Accordingly, the trustees are satisfied that no depreciation needed to be charged in the accounts against the value of the buildings as 95% of the value relates to land and therefore the depreciation charge would be immaterial.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. The trustees are satisfied that no adjustment for depreciation, impairment of valuation is needed until the centre is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Functional property of Islamia Schools Limited consists of furniture, fixtures and equipment. Furniture, fixtures and equipment is depreciated in accordance with the deprecation policy stated above.

The charity has no heritage assets. Any items below £500 or not considered to have a useful economic life of more than one year are not capitalised. Impairment reviews are carried out by the trustees on an annual basis to assess whether any impairment of fixed assets needs to be made in the financial statements.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (Chapters 2 and 3 or part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.15 Basis of consolidation

The trading activities of the charity's wholly owned subsidiary, Firecat Music Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Firecat Music Limited's results relate to the accounting period up to 31 March 2023.

The activities of the trading subsidiary, Maqamat Limited, are incorporated in the accounts and consolidated on a line-by-line basis. Maqamat Limited's results relate to the accounting period up to 31 March 2023.

The trading activities of the charity's wholly owned subsidiary, Islamia Schools Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Islamia Schools Limited results relate to the accounting period up to 31 March 2023.

1.16 Fund accounting

The charity's reserves are allocated between restricted and unrestricted funds.

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion.

The purpose and use of the restricted funds is set out in note 22 to the financial statements.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Fair value of investment properties

The trustees engage a Chartered Surveyor to carry out a valuation of investment properties held by the charity at regular intervals. During the interim periods, the trustees review rent yields in consultation with the charity's property manager to ensure that fair value has remained consistent with prior years.

The Maqam Centre is currently held as assets under construction. Upon completion of the on-going development, when the Centre comes into full operation, it will be transferred to investment property status.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies	Unrestricted funds		Restricted funds		Total	
	2023	2023	2023	2023	2022	2022
	£	£	£	£	£	£
Donations and gifts	3,407	442,182	445,589	407,730	14,054	421,784

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
School fees receivable	1,643,351	1,600,632

5 Income from other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Publishing royalties	8,114	124,524

6 Income from investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Rental income	427,923	371,984
Investment income	-	12,987
	427,923	384,971

7 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Sundry income	-	70
Other Income	39,088	-
	39,088	70

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Trading costs</u>		
Music publishing trading costs	113,687	159,596
Investment management and property trading costs	53,248	84,872
	166,935	244,468

9 Expenditure on charitable activities

	Activities undertaken directly	Activities undertaken directly
	2023	2022
	£	£
Direct costs		
Staff costs	1,358,272	1,295,655
Depreciation and impairment	19,364	19,437
Teaching	1,010,325	912,872
	2,387,961	2,227,964
Share of support and governance costs (see note 10)		
Governance	264,621	301,532
	2,652,582	2,529,496
Analysis by fund		
Unrestricted funds	2,189,239	2,529,496
Restricted funds	463,343	-
	2,652,582	2,529,496

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Support & Governance costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Teaching	-	-	-	55,008	10,723	65,731
Legal and professional costs	-	169,890	169,890	117,075	36,516	153,591
Audit and accounts	-	94,731	94,731	4,500	-	4,500
Other	-	-	-	8,115	69,594	77,709
	-	264,621	264,621	184,698	116,833	301,531

Governance costs relate to legal, audit and accountancy work. Support costs include utilities, teaching resources, office costs, repairs and maintenance as well as depreciation.

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023 £	2022 £
Audit of the charity's annual accounts	14,250	13,250
Other services to the group		
- Audit of the charity's subsidiaries	13,500	12,750
Total audit fees	27,750	26,000

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	Group 2023 Number	2022 Number	Charity 2023 Number	2022 Number
Management	5	5	5	5
Teaching and support staff	45	42	-	-
Total	50	47	5	5

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Employees

(Continued)

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Wages and salaries	1,212,669	1,171,461	147,360	147,360
Social security costs	114,142	93,820	13,019	13,019
Pension costs	31,461	30,374	4,635	4,635
	<u>1,358,272</u>	<u>1,295,655</u>	<u>165,014</u>	<u>165,014</u>

The number of employees whose annual remuneration was over £60,000 during the year was 1 (0 - 2022).

The key management personnel of the parent Charity are noted on the legal and administration page. The total remuneration (including pension and national insurance contributions) of the key management personnel of the Charity totalled £50,746 (2022 - £52,500).

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Tangible fixed assets Group	Freehold land and buildings £	Leasehold land and buildings £	Assets under construction £	Fixtures and Motor vehicles fittings £	Total £
Cost					
At 1 April 2022	4,701,094	458,173	8,384,222	77,466	13,650,935
Additions	-	-	-	53,481	53,481
At 31 March 2023	4,701,094	458,173	8,384,222	130,947	13,704,416
Depreciation and impairment					
At 1 April 2022	-	-	-	59,471	72,823
Depreciation charged in the year	-	-	-	13,368	19,364
At 31 March 2023	-	-	-	72,839	92,187
Carrying amount					
At 31 March 2023	4,701,094	458,173	8,384,222	58,108	13,612,229
At 31 March 2022	4,589,484	458,173	8,495,832	17,995	13,578,112

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Tangible fixed assets		(Continued)				
Tangible fixed assets Charity		Freehold land and buildings	Leasehold land and buildings	Assets under construction	Fixtures and Motor vehicles fittings	Total
Cost						
At 1 April 2022		4,701,094	458,173	8,495,833	43,533	29,980
Additions		-	-	-	2,910	-
At 31 March 2023		4,701,094	458,173	8,495,833	46,443	29,980
Depreciation and impairment						
At 1 April 2022		-	-	-	41,105	13,352
Depreciation charged in the year		-	-	-	3,636	5,996
At 31 March 2023		-	-	-	44,741	19,348
Carrying amount						
At 31 March 2023		4,701,094	458,173	8,495,833	1,702	10,632
At 31 March 2022		4,701,094	458,173	8,495,833	2,428	16,628
						13,667,434
						13,674,156

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Investment property

2023
£

Fair value

At 1 April 2022 and 31 March 2023

6,980,000

Investment property comprises freehold and leasehold land and buildings. Investment property is stated at fair value based on the last valuation carried out in November 2021 by a FRICS qualified surveyor on an open market basis by reference to market evidence of similar property valuations.

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices. The next independent valuation will be undertaken in 2026.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2023 £	2022 £
Cost	6,762,078	6,762,078
Accumulated depreciation	-	-
Carrying amount	6,762,078	6,762,078

17 Fixed asset investments

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Cost or valuation				
At 1 April 2022	-	-	-	-
Investments in subsidiaries	-	-	200	200
At 31 March 2023	-	-	200	200

Details of the company's subsidiaries at 31 March 2023 are as follows, all subsidiaries are held at cost :

Name of undertaking	Class of share held	% held
Maqamat Ltd	Ordinary	100
Firecat Music Ltd	Ordinary	100
Islamia Schools Ltd	Ordinary	100

All the subsidiaries have the same registered office address

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Stocks

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Finished goods and goods for resale	-	29,532	-	29,532

19 Debtors

	Group 2023 £	2022 £	Charity 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	66,799	333,420	35,742	64,038
Amounts owed by subsidiary undertakings	-	-	72,106	67,606
Other debtors	18,845	20,071	2,207	10,753
Prepayments and accrued income	48,175	29,291	53,637	25,943
	133,819	382,782	163,692	168,340

20 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	68,330	34,614
Trade creditors	109,465	99,790
Other creditors	276,944	262,584
Accruals and deferred income	676,681	745,484
	1,131,420	1,142,472

21 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other creditors	131,300	104,000

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
Peace Train	173,690	442,182	(463,343)	152,529
Scholarship fund	21,298	-	-	21,298
	<u>194,988</u>	<u>442,182</u>	<u>(463,343)</u>	<u>173,827</u>
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
Peace Train	159,636	14,054	-	173,690
Scholarship Fund	21,298	-	-	21,298
	<u>180,934</u>	<u>14,054</u>	<u>-</u>	<u>194,988</u>

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	22,056,809	2,121,883	(2,356,174)	21,822,518
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	22,312,846	2,517,927	(2,773,964)	22,056,809

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

24 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2023 are represented by:			
Tangible assets	13,612,229	-	13,612,229
Investment properties	6,980,000	-	6,980,000
Current assets/(liabilities)	1,361,589	173,827	1,535,416
Long term liabilities	(131,300)	-	(131,300)
	<u>21,822,518</u>	<u>173,827</u>	<u>21,996,345</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2022 are represented by:			
Tangible assets	13,578,112	-	13,578,112
Investment properties	6,980,000	-	6,980,000
Current assets/(liabilities)	1,602,697	194,988	1,797,685
Long term liabilities	(104,000)	-	(104,000)
	<u>22,056,809</u>	<u>194,988</u>	<u>22,251,797</u>

25 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2023 £	2022 £
Amounts owed to related parties	<u>79,187</u>	<u>91,187</u>

The Charity has taken the exemption under FRS102 not to disclose group transactions with wholly owned subsidiaries.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26	Cash generated from operations	2023	2022
		£	£
	Deficit for the year	(255,452)	(241,983)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(427,923)	(384,971)
	Depreciation and impairment of tangible fixed assets	19,364	19,437
	Movements in working capital:		
	Decrease in stocks	29,532	-
	Decrease in debtors	248,963	222,200
	Increase/(decrease) in creditors	16,248	(2,649)
	Cash absorbed by operations	(369,268)	(387,966)
27	Analysis of changes in net funds		

The charity had no material debt during the year.

Accounts

Charity Registration No. 1134513

Company Registration No. 07055355 (England and Wales)

YUSUF ISLAM FOUNDATION
DRAFT ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

YUSUF ISLAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Fawziah Islam Mr Yusuf Islam Dr Abdulkarim Khalil Mr Shabir Randeree Mr Muhammad Yoriyos Adamos
Group Chief Executive Officer	Mrs Hasana Islam
Charity number	1134513
Company number	07055355
Registered office	The Maqam Centre Tiverton Road London NW10 3HJ
Auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE
Bankers	HSBC Bank UK PLC 50-52 Kilburn High Road London NW6 4HJ
Investment managers	Al Rayan Bank Whitechapel Branch 97-99 Whitechapel Road London E1 1DT

YUSUF ISLAM FOUNDATION

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YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are the furtherance of the religion of Islam and the furtherance of Islamic Education in accordance with the teachings of the Holy Qur'an and the Sunnah of the Prophet Muhammad (peace and blessings on him). The general charitable activities of the charity are education/training, community development, the prevention or relief of poverty, religious activities, and arts/culture/heritage. These are delivered via grants to both individuals and organisations, acting as an umbrella body, and providing premises, facilities, resources and open spaces.

In order to achieve the objectives, the charity continues to allow use of its two school properties in London by Islamia Schools Limited and continues to assess the use of other assets. The charity is also continuing with the development of the Maqam Centre where the ground floor is now leased to a third party and open to the public, with the development and fit out of the upper floors to follow.

As part of the charity's activities, grants are made to individuals and institutions that share similar charitable objectives. This is subject to due diligence and in accordance with the objects of the charity.

The group funds its activities by generating income in the form of investment income (including rental income), school fees, and donations. The management structure ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on at least a quarterly basis.

The charity operates a number of subsidiaries, details of which can be found in notes 1 and 17. The school operations are operated through Islamia Schools Limited, a registered charity controlled by the Yusuf Islam Foundation.

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when delivering the aims and objectives of the charity and in planning future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives of the charity.

The Yusuf Islam Foundation scholarship scheme offers financial and public benefit to students and their families who would otherwise be unable to benefit from the high standard of education provided by the charity's schools.

The charity has established a grant making policy to achieve public benefit. The principal beneficiaries of the grant making programme are students at the educational institutions under the Foundation's umbrella. A Scholarship Board meets to review applications based on need (the applicant's financial position) and merit (a review of school reports). Scholarship awards are monitored throughout the academic year and reported on by the applicant's host school. The Maqam Centre will be a natural focus for the educational activities of the charity and a natural expression of public benefit.

The prevention or relief of poverty continues to be a key component of the charity's public benefit activities and includes mobile kitchens, food banks, breakfast clubs, emergency food relief, and water wells.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Investment

The Foundation's investment assets include five residential units in a single building, a separate maisonette, a residential unit which is presently converted into an office for administration purposes, and a property consisting of two commercial and six residential spaces. All of these are located in London. These are managed by external third party property management agents and generate rental income to fund the charitable activities of the group. In-house quarterly reports to the trustees provide updates on all of these investment assets. The trustees have also recently instructed an external independent review which will be completed for early 2023.

The trustees have considered the most appropriate policy for investing the funds of the charity. The charity holds short-term and low-risk cash investments which are included in the balance sheet of the charity as current asset investments. The charity holds longer-term investments in property.

Going concern

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding. The unrestricted funds are £22m and the cash balance of the group is approximately £2.5m. However, the trustees continue to invest in and benefit from the income-generating investment properties the charity holds. The trustees note that the investment properties rely on the payment of rent from commercial and residential tenants. As part of their going concern review, the trustees have considered the likely impact of a repayment plan on future income and cashflow as agreed with one of the commercial tenants to recover outstanding rent arrears arising from the COVID-19 period.

The trustees are also aware of the benefit of future music publishing contractual opportunities available to Firecat Music Limited, its wholly-owned trading subsidiary. Maqamat Limited will have potential trading income from the Maqam Centre upon completion of the upper floors, with construction expected to commence in 2023/2024. With respect to the schools, the reduction of student numbers has been noted as a factor of the trustees' going concern assessment, but is forecast to be offset by budgetary savings on costs and additional marketing to boost student numbers. Additionally, to ease the financial burden on parents/guardians and increase the recoverability of fee income, the schools have amended their terms and conditions to allow greater flexibility to pay the fees over an extended period.

Based on a review of cashflows and forecasts covering a year from the date of this report, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

Related parties

Transactions between related parties during the year, by virtue of shareholding or common trustees, are disclosed in the notes to the financial statements.

Strategic report

The principal objectives for the year were:

- continued operations of the schools, in particular through enhanced facilities and maintaining a school improvement drive through independent reviews;
- investment in education through the scholarship programme;
- strengthening the Foundation's property investment portfolio to provide income for our charitable activities, including a wholesale review of all assets from a value and development perspective. To this end the trustees are presently working with a leading firm of architects to appraise the development potential of the property assets and have also recently instructed an external independent review as to the values and rental incomes of the investment assets;
- support of community initiatives by taking forward the development of the Maqam Centre;
- prevention or relief of poverty, including through food banks, emergency food relief, and water wells.

The Yusuf Islam Foundation Group has committed significant funds to the running of its highly successful secondary schools in London, through its subsidiary Islamia Schools Limited. The effective running of Islamia Girls School and Brondesbury College has ensured that both schools remain among the most academically successful educational institutions in London. The activities of the charity provided for some 216 students across both secondary schools.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

COVID-19 had an impact on the delivery of education during the year. The charity, together with its subsidiary, Islamia Schools Limited, adapted its systems as necessary so that the schools were able to continue to offer lessons to all students as per the regular timetable. Both secondary schools are now presently running as normal.

The most recent GCSE results show that, once again, both the secondary schools have performed excellently. The Brondesbury College results were the best in the past fifteen years in terms of the percentage of 9-7 grades (A*/A). Also at Brondesbury College, 95% of students attained 5 or more 9-5 level grades. At Islamia Girls School, 100% attained 5 or more 9-4 level grades.

The Islamia Girls' School was inspected by Ofsted during the year and a report published on 12th January 2022. Thereafter, the school submitted an action plan to Ofsted to remedy any areas highlighted in the report and a subsequent visit and report by Ofsted published in October 2022 confirmed that the school meets all of the independent school standards. During this process the trustees also instructed an independent education specialist to assess the provision of education at the school which included a review of the curriculum.

As a mainstay of the Foundation's activities, scholarship grants of £47,302 (2021: £39,156) (which are provided on the basis of need and merit) continue to be awarded to students at the secondary schools.

The Foundation's Maqam Centre promises to be a landmark addition to London's multicultural landscape and is currently providing health and fitness spaces which are open to the public under the management of Swimming Nature, a local business with over twenty years' experience in the swimming and leisure industry. Attention has now turned to delivering the fit out of the upper floors which will proceed following a design review. The trustees are currently in discussions with a leading firm of architects for this purpose.

The Foundation continues to manage commercial and residential investment properties, the income from which helps to fund the Foundation's charitable activities. Managing agents have been appointed to oversee the various investment properties and conduct rent reviews on a periodic basis.

The trustees believe that they have met their objectives for the year despite the continued impact of the COVID-19 pandemic which placed a strain on the Foundation's income particular during the lockdown period where the Foundation's commercial tenants were unable to meet their monthly rental payments. Two of the commercial tenants have since brought their rent accounts up to date and a third continues to clear rent arrears according to an agreed repayment schedule. Whilst occupancy levels were good, residential rents were down during the pandemic and only now, following recent renewals and new tenancies, are rent figures beginning to re-establish themselves at pre-pandemic levels.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The Statement of Financial Activities on page 12 shows a net group surplus of £241,983 (2021: £75,777). During the year under review donations were made to charitable entities who share similar charitable objects, detailed in note 9, of £570,616 (2021: £573,244). The trustees have made investments in order to provide ongoing income.

The trustees consider the state of the charity's affairs to be satisfactory.

At the year end, overall reserves totalled £22,251,809 (2021: £22,493,780), with £20,558,112 (2021: £20,536,050) relating to fixed asset balances, and £194,988 being restricted (2021: £180,935). The charity retains reserves as a contingency against operational risks and for investment in strategic projects such as the development of the Maqam Centre and refurbishment of the school properties.

The principal funding sources of the group are from investment income (including rental income), school fees paid by parents of students, and donations. Royalties paid to the subsidiary, Firecat Music Limited, are paid as advances when new publishing deals are negotiated and signed. All expenditure in the year has been on the furtherance of education and community initiatives, including relief of poverty, through spending on the school operations and development of the Maqam Centre, grants given for scholarships or donations to other charities and organisations that carry out similar activities.

The trustees have established a policy in respect of the charitable activities whereby the reserves held by the charity after taking into account the fixed asset balances should be approximately three months of expenditure, which equates to £733,404 based on the year to March 2022 results. Current reserves in the charity alone are in excess of £1.4m which are being held for the purpose of the future development of the Maqam Centre.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk

The trustees acknowledge their responsibility to manage the risks faced by the charity. They have identified and given due consideration to the risks to which the charity may be exposed and are satisfied that systems are in place to mitigate those risks.

With the very recent concern and threat surrounding the COVID-19 pandemic, the charity will need to include this new concern in its future financial planning given the potential impact it could have on the various streams of income particularly through its investment properties.

The trustees have obtained an estimated valuation of the investment properties to assess any potential impact on the values held in the accounts and are satisfied that the value held in the accounts does not require any adjustments. Nevertheless, a fresh independent review has been instructed for early 2023.

At the date of signing no significant issues have impacted the rental income from the residential investment properties. Two of the commercial tenants have, since the lockdowns, brought their rent accounts up to date and a third continues to clear rent arrears according to an agreed repayment schedule. Whilst occupancy levels were good, residential rents were down during the pandemic and only now, following recent renewals and new tenancies, are rent figures beginning to re-establish themselves at pre-pandemic levels.

To ease any financial burden on parents/guardians, the schools amended their fees terms and conditions to allow greater flexibility to pay the fees over an extended period.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

A risk register and investment policy is in place with the principal risks being:

Area of Risk	Potential Risk	Mitigation/Treatment
Health and Safety (H&S) obligations & responsibilities for residential & commercial tenants and schools	Fires & any other building and property service related fault	Appoint a dedicated full time Property Manager / Property Management Agent to manage the complete property portfolio. A job specification has been prepared.
Investment Properties Income	Downturn in rental income generation	Employing the services of a Property Management Agent to ensure that investment properties are fully occupied and that rents received are at least at market/budgeted rates.
Student Fee Income	A significant reduction in student intake impacting on school fee income	A concerted programme of media advertising and open days to attract students to our schools. Assess the fees charged and work on a projected forecast which covers a 5-year period
Investment Property Values	Downturn in the property market affecting investment property values	By looking to broaden the investment portfolio

Plans for future periods

A review of the charity's structure continued during the year and is ongoing as is a review of the internal reporting systems. Interviews were recently held for a new senior management position with an appointment yet to be confirmed. The trustees are also looking to co-opt additional experts from various fields (including property and education). The charity is continuing the work of developing the Maqam Centre with the opening of the ground floor having already taken place. Following the opening of all floors of the Maqam Centre it is expected to be a very busy and exciting period in the delivery of the charity's activities. Funds are currently required to complete the upper floors and fundraising is planned for that purpose. The trustees are presently working with a leading firm of architects to appraise the development potential of various property assets. Other future activities include the continued operations of the schools, including further enhancement and expansion of the facilities on the main purpose built school site on Salusbury Road NW6, enlarging our scholarship programme and working in co-operation with other charities for the public benefit. The charity will also continue with activities relating to the prevention or relief of poverty.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

The charity is a company limited by guarantee and incorporated under the Companies Act 2006. The company's governing document is its Articles of Association. Yusuf Islam Foundation is the parent entity of the group. Its subsidiaries are: Islamia Schools Limited (Charity no. 1134516. Company no. 07055378), Firecat Music Limited (Company no. 01822129), formally known as Salafa, and Maqamat Limited (Company no. 07183033).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Fawziah Islam

Mr Yusuf Islam

Dr Abdulkarim Khalil

Mr Shabir Randeree

Mr Muhammad Yoriyos Adamos

The trustees are in regular communication and meet to discuss delivery of the objectives and strategic matters of the charity. A management structure is in place to provide controls and ensure the efficient and successful running of the charity. The trustees may appoint by ordinary resolution a person who is willing and eligible to be a trustee. Trustee vacancies are usually filled by carrying out a skills audit to ensure diversity and highlight the qualities and skills the charity needs. All members of the company are entitled to receive notice of any resolution to be put to a general meeting to appoint a trustee.

Trustees maintain a good working knowledge of charity and company law and best practice. Trustees are provided with training in order to carry out their duties to the best of their abilities and in the best interests of the charity. Training and induction is provided on an ad hoc basis for all trustees as necessary. An information pack was issued to each trustee containing internal reports, the latest Charity Commission guidance on a range of matters as well as updated editions of the charity's policies. This pack is routinely updated with new guidance.

During the year, responsibility for managing external relationships, new initiatives, and for managing governance and relationships with the board formed part of the responsibility of the Group Chief Executive Officer which was then, at the end of 2021, transferred to the Executive Director. The management structure ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on at least a quarterly basis. A Scholarship Funding Board meets at least once a year to approve scholarship applications.

Professional development during the year at trustee and senior management level was maintained to keep up to date with the latest legislation and developments in the charity and education sectors. The Foundation's senior managers are appraised by trustees who are not involved in the day to day running of the organisation. The schools Headteacher continues to be appraised by independent external advisers.

The Foundation is constantly reviewing its policies and procedures and has continued to work with advisers during the year and also benefits from internal assessments, including self-assessments.

Key management remuneration

All key personnel is determined with reference to publicly available data. The former CEO and the Executive Director were and are remunerated through the Yusuf Islam Foundation.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of Yusuf Islam Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with the company's articles, a resolution proposing that AMS Accountants Corporate Limited be reappointed as auditor of the company will be put at a General Meeting

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Mrs Fawziah Islam

Trustee

Dated: 14th December 2022

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF YUSUF ISLAM FOUNDATION

Opinion

We have audited the financial statements of Yusuf Islam Foundation (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YUSUF ISLAM FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF YUSUF ISLAM FOUNDATION

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The prior year financial statements were audited by Deloitte LLP and an unqualified opinion was issued.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



David Clegg BFP FCA (Senior Statutory Auditor)
for and on behalf of AMS Accountants Corporate Ltd

14 December 2022

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

YUSUF ISLAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	407,730	14,054	421,784	533,091	282,497	815,588
Charitable activities	4	1,600,632	-	1,600,632	1,622,333	-	1,622,333
Other trading activities	5	124,524	-	124,524	-	-	-
Investments	6	384,971	-	384,971	412,494	-	412,494
Other income	7	70	-	70	88,269	-	88,269
Total income		2,517,927	14,054	2,531,981	2,656,187	282,497	2,938,684
<u>Expenditure on:</u>							
Raising funds	8	(244,468)	-	(244,468)	(165,126)	-	(165,126)
Charitable activities	9	(2,529,496)	-	(2,529,496)	(2,578,804)	(69,573)	(2,648,377)
Total resources expended		(2,773,694)	-	(2,773,964)	(2,743,930)	(69,573)	(2,813,503)
Net gains/(losses) on investments	16	-	-	-	(200,958)	-	(200,958)
Net (outgoing)/incoming resources before		(256,037)	14,054	(241,983)	(288,701)	212,924	(75,777)
Gross transfers between funds		-	-	-	110,026	(110,026)	-
Net (expenditure)/income for the year/							
Net movement in funds		(256,037)	14,054	(241,983)	(178,675)	102,898	(75,777)
Fund balances brought forward		22,312,846	180,934	22,493,780	22,491,520	78,037	22,569,557
Fund balances carried forward		22,056,809	194,988	22,251,797	22,312,845	180,935	22,493,780

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

YUSUF ISLAM FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2022

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
Fixed assets					
Tangible fixed assets	15	13,578,112	13,556,050	13,674,156	13,657,662
Investment properties	16	6,980,000	6,980,000	6,980,000	6,980,000
Investments	17	-	-	200	200
		<u>20,558,112</u>	<u>20,536,050</u>	<u>20,654,356</u>	<u>20,637,862</u>
Current assets					
Stock	18	29,532	29,532	29,532	29,532
Debtors	19	382,782	604,982	168,340	312,604
Cash at bank and in hand		2,527,843	2,572,338	1,690,519	1,636,468
		<u>2,940,157</u>	<u>3,206,852</u>	<u>1,888,391</u>	<u>1,978,601</u>
Creditors: amounts falling due within one year	20	(1,142,472)	(1,184,772)	(415,074)	(235,579)
		<u>1,797,685</u>	<u>2,022,080</u>	<u>1,473,317</u>	<u>1,743,022</u>
Net current assets					
		1,797,685	2,022,080	1,473,317	1,743,022
Total assets less current liabilities		22,355,797	22,558,130	22,127,673	22,380,884
Creditors: amounts falling due after more than one year	21	(104,000)	(64,350)	-	-
Net assets		<u>22,251,797</u>	<u>22,493,780</u>	<u>22,127,673</u>	<u>22,380,884</u>
Income funds					
Restricted funds		194,988	180,935	173,690	159,636
Unrestricted funds		22,056,809	22,312,845	22,953,983	22,221,248
Net assets		<u>22,251,797</u>	<u>22,493,780</u>	<u>22,127,673</u>	<u>22,505,355</u>

The income and deficit of the parent charity for the year for Companies Act purposes is £857,946 and £246,597 deficit respectively (2021: £1,323,612 and £127,773 deficit). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements were approved by the Trustees on 14th December 2022



Mrs Fawziah Islam
Trustee

Company Registration No. 07055355

YUSUF ISLAM FOUNDATION

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(387,967)		(687,888)
Investing activities					
Purchase of tangible fixed assets		(41,501)		(134,515)	
Purchase of stock		-			
Investment income received		384,973		412,494	
Net cash generated from investing activities			343,470		277,979
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(44,497)		(409,909)
Cash and cash equivalents at beginning of year			2,572,338		2,982,247
Cash and cash equivalents at end of year			2,527,843		2,572,338

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Yusuf Islam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maqam Centre, Tiverton Road, London, NW10 3HJ. There are currently five trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding due to the level of unrestricted reserves and free cash reserves. For further information, please see consideration of going concern in the trustees' report. Based on a review of cash flows and forecasts covering a year from the date of signing, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Investment income relates to rental income received in respect of the charity's investment properties and also interest receivable generated from the charity's cash investments.

Deferred income is recognised and released on a proportioned basis, calculated by reference to the proportion of school fees invoiced in advance.

Charitable activities relate to school fees receivable by Islamia Schools Limited, in respect of the two schools run by that charity being Islamia Girls' School and Brondesbury College for boys, based in Queens Park and Brondesbury Park, London respectively.

Other trading activities relate to the receipt of royalties by the charity's subsidiary, Firecat Music Limited, income from funds transferred from unincorporated entities for the furtherance of charitable activities, and other income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes:

Grant funding of activities is recognised on the basis that the charity has an obligation, when transfer of the funding is probable and the amount of the obligation can be measured or estimated reliably. Grants are made at the discretion of the trustees on a case-by-case basis.

Activities undertaken directly relate to directly attributable costs in pursuance of the charity's objectives and an allocation of support costs. Support costs are allocated in line with the basis that they relate to the charitable activities of the charity but are not directly related to the income generated from such activities. The vast majority of support costs comprise teaching and administration salaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trusts programmed and activities. These costs have been allocated between cost of teaching, promotional work and expenditure on community centre activities. The bases on which support costs have been allocated are set out in the notes to the financial statements. No support costs are allocated to fundraising or grant making on the grounds of materiality.

Governance costs are included in support costs and relate to accountancy, audit, legal and professional advice provided to the group.

Expenditure on raising funds relates to professional income payable and royalties payable by the charity's subsidiary, Firecat Music Limited, and are recognised on an accruals basis. Also included are maintenance costs relating to property investment income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Leasehold land and buildings	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Freehold land and assets in the course of construction are not depreciated.

Land and buildings are stated in the accounts at cost. The trustees consider that the useful economic life of these buildings is sufficiently long and the market value in excess of cost. Accordingly, the trustees are satisfied that no depreciation needed to be charged in the accounts against the value of the buildings as 95% of the value relates to land and therefore the depreciation charge would be immaterial.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. Construction Costs have taken place on the centre this year and the ground floor facilities opened during the final quarter of 2019 on a short term lease, although construction works continued around the facility. The trustees are satisfied that no adjustment for depreciation, impairment of valuation is needed until the centre is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. Construction cost have taken place on the Centre in the current year and prior year, the ground floor facilities opened during the final quarter of 2019 on a short term lease, although construction works continue around the facility. The trustees are satisfied that no adjustment for depreciation, impairment or valuation is needed until the Centre is complete.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (Chapters 2 and 3 or part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

1.15 Basis of consolidation

The trading activities of the charity's wholly owned subsidiary, Firecat Music Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Firecat Music Limited's results relate to the accounting period up to 31 March 2022.

The activities of the trading subsidiary, Maqamat Limited, are incorporated in the accounts and consolidated on a line-by-line basis. Maqamat Limited's results relate to the accounting period up to 31 March 2022.

The trading activities of the charity's wholly owned subsidiary, Islamia Schools Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Islamia Schools Limited results relate to the accounting period up to 31 March 2022.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Fair value of investment properties

The trustees engage a Chartered Surveyor to carry out a valuation of investment properties held by the charity at regular intervals. During the interim periods, the trustees review rent yields in consultation with the charity's property manager to ensure that fair value has remained consistent with prior years.

The Maqam Centre is currently held as an asset under construction. Upon completion of the on-going development, when the centre comes into full operation, it will be transferred to investment property status.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	407,730	14,054	421,784	533,091	282,497	815,588

YUSUF ISLAM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022	2021
	£	£
School fees receivable	<u>1,600,632</u>	<u>1,622,333</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Publishing royalties	<u>124,524</u>	<u>-</u>
	<u>124,524</u>	<u>-</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Rental income	371,984	393,460
Investment income	<u>12,987</u>	<u>19,034</u>
	<u>384,971</u>	<u>412,494</u>

7 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Government grants	-	35,000
Coronavirus job retention scheme grants	-	52,736
Sundry income	<u>70</u>	<u>533</u>
	<u>70</u>	<u>-</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Raising donations	-	35,473
<u>Trading costs</u>		
Music publishing trading costs	93,393	61,616
Property trading costs	66,203	46,332
Trading costs	159,596	61,616
Investment management costs	84,872	103,510
	<u>244,468</u>	<u>165,126</u>

9 Charitable activities

	Activities undertaken directly	Activities undertaken directly
	2022	2021
	£	£
Teaching	1,295,655	1,433,355
Promotional work	570,616	573,244
Community centre	1,732	34,909
Other	359,962	301,857
	<u>2,648,377</u>	<u>2,648,377</u>
Share of support costs (see note 10)	184,698	215,276
Share of governance costs (see note 10)	116,834	89,736
	<u>301,532</u>	<u>305,012</u>
Analysis by fund		
Unrestricted funds	2,529,497	2,578,804
Restricted funds	-	69,573
	<u>2,529,497</u>	<u>2,648,377</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Support & Governance costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Teaching	55,008	10,723	65,731	57,115	34,245	91,360
Promotional work	117,075	36,516	153,591	147,926	3,073	150,999
Community Centre	4,500	-	4,500	4,500	-	4,500
Other	8,115	69,594	77,709	5,735	50,272	55,980
	<u>184,698</u>	<u>116,833</u>	<u>301,531</u>	<u>215,726</u>	<u>89,763</u>	<u>305,012</u>

Governance costs relate to legal, audit and accountancy work. Operational costs include utilities, teaching resources, office costs, repairs and maintenance as well as depreciation.

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:	2022	2021
	£	£
Audit of the charity's annual accounts	13,250	13,250
Other services to the group		
- the audit of the charity's subsidiaries	12,750	12,750
Total audit fees	<u>26,000</u>	<u>26,000</u>
Non-audit services		
Taxation compliance services	1,500	1,500

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Employees

The average monthly number of employees during the year was:

	Group 2022 Number	2021 Number	Charity 2022 Number	2021 Number
Teaching staff	30	32	-	-
Support staff	10	10	-	-
Management	4	5	4	5
Security	3	3	-	-
	<u>47</u>	<u>50</u>	<u>5</u>	<u>4</u>

Employment costs	Group 2022 £	2021 £	Charity 2022 £	2021 £
Wages and salaries	1,171,461	1,290,675	147,360	243,500
Social security costs	93,820	108,879	13,019	23,542
Other pension costs	30,374	33,801	4,635	7,393
	<u>1,295,655</u>	<u>1,433,355</u>	<u>165,014</u>	<u>274,435</u>

14 The number of employees whose annual remuneration was over £60,000 during the year was 0 (1 - 2021).

FOR THE YEAR ENDED 31 MARCH 2022

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YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Investment property

	2022 £
Fair value	
At 1 April 2021 and 31 March 2022	<u>6,980,000</u>

Investment property comprises freehold and leasehold land and buildings. Investment property is stated at fair value based on the last valuation carried out in November 2021 by a FRICS qualified surveyor on an open market basis by reference to market evidence of similar property valuations.

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices. The next independent valuation will be undertaken in 2026.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2022 £	2021 £
Cost	6,762,078	6,762,078
Accumulated depreciation	-	-
Carrying amount	<u>6,762,078</u>	<u>6,762,078</u>

17 Fixed asset investments

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Investments in subsidiaries	-	-	200	200
	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>

Details of the company's subsidiaries at 31 March 2022 are as follows, all subsidiaries are held at cost:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Maqamat Ltd	131b Salusbury Road, London, NW6 6RG	Ordinary	100.00
Firecat Music Ltd	131b Salusbury Road, London, NW6 6RG	Ordinary	100.00
Islamia Schools Ltd	131b Salusbury Road, London, NW6 6RG	Ordinary	100.00

18 Stocks

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Finished goods and goods for resale	<u>29,532</u>	<u>29,532</u>	<u>29,532</u>	<u>29,532</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Debtors

	Group 2022	2021	Charity 2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	333,420	436,295	64,038	106,285
Amounts owed by subsidiary undertakings	-	-	67,606	61,385
Other debtors	20,071	99,753	10,753	2,003
Prepayments and accrued income	29,291	68,934	25,943	142,928
	<u>382,782</u>	<u>604,982</u>	<u>168,340</u>	<u>312,601</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Other taxation and social security	34,614	29,973	9,921	13,007
Trade creditors	99,790	107,873	40,349	38,280
Other creditors	262,584	264,866	64,451	64,444
Accruals and deferred income	745,484	782,060	65,230	86,948
Amounts owed to subsidiary undertakings	-	-	235,121	32,900
	<u>1,142,472</u>	<u>1,184,772</u>	<u>415,702</u>	<u>235,579</u>

21 Creditors: amounts falling due after more than one year

	Group 2022 £	2021 £	Charity 2022 £	2021 £
Student refundable deposits	<u>104,000</u>	<u>64,350</u>	<u>-</u>	<u>-</u>

23 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £30,374 (2021 - £38,801).

24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	13,578,112	-	13,578,112	13,556,050	-	13,556,050
Investment properties	6,980,000	-	6,980,000	6,980,000	-	6,980,000
Current assets/(liabilities)	1,602,697	194,988	1,797,685	1,841,145	180,935	2,022,080
Long term liabilities	<u>(104,000)</u>	<u>-</u>	<u>(104,000)</u>	<u>(64,350)</u>	<u>-</u>	<u>(64,350)</u>
	<u>20,056,809</u>	<u>194,988</u>	<u>22,251,797</u>	<u>22,312,845</u>	<u>180,935</u>	<u>22,493,780</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

25 Related party transactions

Firecat Music Limited (a subsidiary of Yusuf Islam Foundation) owed Y Islam £93,392 (2021: £0) at the balance sheet date. The amount is interest free and unsecured.

By virtue of common directors, Cat Music Limited is a related party of Firecat Music Limited (a subsidiary of Yusuf Islam Foundation). During the year a management charge was made by Cat Music Limited for the provision of services, leaving a balance owed to Cat Music Limited of £67,794.69 (2021: £56,595). The balance is interest free and unsecured.

All transactions between the charity and its subsidiaries, Islamia Schools Ltd, Maqamat Ltd and Firecat Music Limited are eliminated on consolidation and the charity has taken the exemption provided by FRS 102 section 33 not to disclose group transaction with wholly owned subsidiaries.

26 Cash generated from operations	2022 £	2021 £
Surplus/(deficit) for the year	(241,983)	(75,777)
Adjustments for:		
Investment income recognised in statement of financial activities	(384,971)	(412,494)
Depreciation and impairment of tangible fixed assets	19,437	20,126
Fair value gains and losses on investments	-	200,958
Movements in working capital:		
(Increase) in stocks	-	(534)
(Increase)/decrease in debtors	298,239	(483,615)
Increase in creditors	(78,689)	63,448
Cash absorbed by operations	(387,967)	(687,888)
27 Analysis of changes in net funds		
The charity had no debt during the year.		

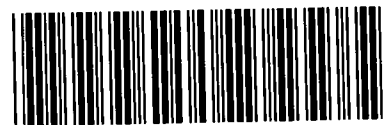
Accounts

Charity Registration No. 1134513

Company Registration No. 07055355 (England and Wales)

YUSUF ISLAM FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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YUSUF ISLAM FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Fawziah Islam Mr Yusuf Islam Dr Abdulkarim Khalil Mr Shabir Randeree Mr Muhammad Yoriyos Adamos	(Appointed 17 June 2020)
Group Chief Executive Officer	Mrs Hasana Islam	
Charity number	1134513	
Company number	07055355	
Registered office	The Maqam Centre Tiverton Road London NW10 3HJ	
Auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE	
Bankers	HSBC Bank UK PLC 50-52 Kilburn High Road London NW6 4HJ	
Solicitors	Veale Wasbrough Vizards LLP 24 King William Street London EC4R 9AT	
Investment managers	Al Rayan Bank Whitechapel Branch 97-99 Whitechapel Road London E1 1DT	

YUSUF ISLAM FOUNDATION

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YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are the furtherance of the religion of Islam and the furtherance of Islamic Education in accordance with the teachings of the Holy Qur'an and the Sunnah of the Prophet Muhammad. The general charitable activities of the charity are education/training, community development, the prevention or relief of poverty, religious activities, and arts/culture/heritage. These are delivered via grants to both individuals and organisations, acting as an umbrella body, and providing buildings, facilities and open space.

In order to achieve the objectives, the charity continues to allow use of its two school properties by Islamia Schools Limited and continues to assess the use of other assets. The charity is also continuing with the development of the Maqam Centre where the ground floor is now leased to a third party and open to the public, with the fit out of the upper floors to follow.

As part of the charity's activities, grants are made to individuals and institutions that share similar charitable objectives. This is subject to due diligence and in accordance with the objects of the charity.

The group funds its activities by generating income in the form of investment income, school fees, and donations. The management structure ensures that the levels of income and expenditure are closely monitored and reported back to the trustees on a quarterly basis.

The charity operates a number of subsidiaries, details of which can be found in notes 1 and 17. The school operations are operated through Islamia Schools Limited, a registered charity controlled by the Yusuf Islam Foundation.

Public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when delivering the aims and objectives of the charity and in planning future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives of the charity.

The Yusuf Islam Foundation scholarship scheme offers financial and public benefit to students and their families who would otherwise be unable to benefit from the high standard of education provided by the charity's schools.

The charity has established a grant making policy to achieve public benefit. The principal beneficiaries of the grant making programme are students at the educational institutions under the Foundation's umbrella. A Scholarship Board meets to review applications based on need (an assessment of the applicant's financial position) and merit (a review of school reports). Scholarship awards are monitored throughout the academic year and reported on by the applicant's host school. Additionally, individual grants, such as for writers' awards, are provided to other institutions on a case-by-case basis as assessed by the trustees to support and celebrate the development of young people in education and provide humanitarian relief where needed. The Maqam Centre will be a natural focus for the educational activities of the charity and a natural expression of public benefit.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Investment

The Foundation's investment assets include five residential units in a single building, a separate maisonette, a residential unit which is presently converted into an office for administration purposes, and a property consisting of two commercial and six residential spaces. These are managed by external third party property management agents and generate rental income to fund the charitable activities of the group.

The trustees have considered the most appropriate policy for investing the funds of the charity. The charity holds short-term and low-risk cash investments, which are included in the balance sheet of the charity as current asset investments. The charity holds longer-term investments in property.

Going concern

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding. The unrestricted funds and free cash reserves of the group are approximately £1.9m in value. However, the trustees continue to invest in and benefit from the income-generating investment properties the charity holds. The trustees note that the investment properties rely on the payment of rent from commercial and residential tenants who could potentially be faced with a real impact on the loss of their income, jobs and/or their livelihood over time. As part of their going concern review, the trustees have considered the likely impact of repayment plans on future income and cashflow, particularly in relation to commercial properties where long term repayment plans have been agreed or are in negotiation with their commercial tenants to recover outstanding arrears. The trustees and the CEO will be revisiting the potential impact over time, but are confident that any payment plans not yet finalised are likely to be agreed based on the terms and the ongoing communication with the tenants concerned.

The trustees are also aware of the benefit of future music publishing contractual opportunities available to Firecat Music Limited, its wholly-owned trading subsidiary. Maqamat Limited will have potential trading income from the Maqam Centre upon completion of the upper floors, with construction expected to commence in 2022/2023. With respect to the schools, the reduction of student numbers has been noted as a factor of the trustees' going concern assessment, but is forecast to be offset by budgetary savings on costs. Additionally, to facilitate in easing the financial burden on parents/guardians and increase the recoverability of fee income, the schools amended the terms and conditions to allow greater flexibility to pay the fees over an extended period.

Based on a review of cashflows and forecasts covering a year from the date of this report, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

Related parties

Transactions between related parties during the year, by virtue of shareholding or common trustees, are disclosed in the notes to the financial statements.

Strategic report

The principal objectives for the year were:

- continued operations of the schools, in particular through enhanced facilities and maintaining our school improvement drive through independent reviews;
- investment in education through our scholarship programme;
- strengthening the Foundation's property investment portfolio to provide income for our charitable activities;
- support of community initiatives by taking forward the development of the Maqam Centre and sponsoring community events.

The Yusuf Islam Foundation Group has committed significant funds to the running of its highly successful secondary schools in London, through its subsidiary Islamia Schools Limited. The effective running of Islamia Girls School and Brondesbury College has ensured that both schools remain among the most academically successful educational institutions in London. The activities of the charity provided for some 210 students across both secondary schools.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

COVID-19 has had an impact on the delivery of education that Islamia Schools Limited is otherwise accustomed to delivering. It has naturally adapted its systems so that it was able to continue offering daily lessons virtually, during lockdown, to all its students as per the regular timetable that had been set. Furthermore, along with all secondary schools nationally, students of Islamia Girls' School and Brondesbury College were unable to sit the GCSE examinations as they normally would have. Consequently, we have been unable to compare the performance of our two secondary schools as we normally would have. Nevertheless, we anticipate that the schools will return back to achieving exemplary GCSE examination results once again (among the best in North West London). COVID-19 has also had an impact on the extra-curricular offerings that our students actively participate in such as the LAMDA courses and the Tycoon Enterprise Competitions as well as the Year 11 annual charity campaigns which is normally hosted by both schools to raise regular funding for UK charities each year. We anticipate that this will all resume as normal in the forthcoming year.

Overall, the trustees believe that they have met their objectives for the year particularly given the new set of challenges and strains that our schools faced along with all other schools nationally, where we were required to switch our normal face-to-face lessons to a virtual remote platform almost overnight following the Government lockdown announcement and the closure of all schools as of 20 March 2020. In light of the pandemic, and the impact it has had on all sectors particularly for our charity and our schools, leadership within our schools are continuing to work towards establishing a solid structure that allows us to maintain parallel systems in future whereby if we were to face future lockdowns, our schools will be able to continue to provide a seamless teaching and learning experience to all of its students.

As a mainstay of the Foundation's activities, scholarship grants of £37,969 (2020: £34,925) (which are provided on the basis of need and merit) continue to be awarded to students at the secondary schools.

The Foundation's Maqam Centre promises to be a landmark addition to London's multicultural landscape and is providing health and fitness spaces which are open to the public under the management of Swimming Nature, a local business partner with over twenty years' experience in the swimming and leisure industry. Attention has now turned to delivering the fit out of the upper floors which will proceed following a design review. Shortly after the completion of the ground floor in Spring 2017, the construction company that managed the project filed for liquidation which led to a delay in proceeding with the development. These issues were resolved in the 2019/20 financial year and the charity aims to complete the Centre within two years.

The Foundation continues to manage commercial and residential investment properties, the income of which helps to fund the Foundation's charitable activities. Managing agents have been appointed to oversee the various investment properties and conduct regular rent reviews on a periodic basis.

The trustees believe that they have met the aforementioned objectives for the year despite the impact of the COVID-19 pandemic which placed a strain on the Foundation's income particular during the lockdown period where the Foundation's commercial tenants were unable to meet their monthly rental payments as had been agreed and budgeted. The Foundation was able to negotiate and enter into revised agreements with its commercial tenants for the period in question, which will see the payment of all backdated rent less a 10% discount.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

The Statement of Financial Activities on page 12 shows a net group deficit of £75,777 (2020: £258,330 deficit). During the year under review donations were made to charitable entities who share similar charitable objects, detailed in note 9, of £69,573 (2020: £224,123). The trustees have made investments in order to provide ongoing income.

The trustees consider the state of the charity's affairs to be satisfactory.

At the year end, overall reserves totalled £22,493,780 (2020: £22,569,557), with £20,536,050 (2020: £20,622,619) relating to fixed asset balances, and £180,935 being restricted (2020: £78,037). The charity retains reserves as a contingency against operational risks and for investment in strategic projects such as the development of the Maqam Centre and refurbishment of the school properties.

The principal funding sources of the group are from investment income, school fees paid by parents of students and donations. Royalties paid to the subsidiary, Firecat Music Limited, are paid as advances when new publishing deals are negotiated and signed. All expenditure in the year has been on the furtherance of education and community initiatives through spending on the school operations and development of the Maqam Centre, grants given for scholarships or donations to other charities and organisations that carry out similar activities.

The trustees have established a policy in respect of the charitable activities whereby the reserves held by the charity after taking into account the fixed asset balances should be approximately three months of expenditure, which equates to £703,376 based on the year to March 2021 results. Current reserves in the charity alone are in excess of £1.7m which are being held for the purpose of the future development of the Maqam Centre.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Risk

The trustees acknowledge their responsibility to manage the risks faced by the charity. They have identified and given due consideration to the risks to which the charity may be exposed and are satisfied that systems are in place to mitigate those risks.

With the very recent concern and threat surrounding the COVID-19 pandemic, the charity will need to include this new concern in its financial planning given the potential impact it will have on the various streams of income particularly through its investment properties.

This matter has been highlighted as a new risk for the charity. The trustees have obtained an estimated valuation of the investment properties to assess any potential impact on the values held in the accounts and are satisfied that the value held in the accounts does not require any adjustments.

At date of signing no significant issues have impacted the rental income from the residential investment properties; however, with the commercial investment properties the tenants have been faced with a significant impact on turnover due to the COVID-19 lockdown. The trustees have agreed long term repayment plans with each of their commercial tenants to recover the outstanding arrears (as explained above).

With respect to the schools, a few students had left the school due to financial difficulties. To facilitate in the easing the financial burden on parents/guardians, the schools amended the fees terms and conditions to allow greater flexibility to pay the fees over an extended period.

The schools have considered the risks of being able to continue operations during pandemic and the provision of education to students sent home or at risk from infection. The schools are in constant communication with Public Health England and are reliant on their guidance and have progressed on a provision of online home learning for students and staff who cannot attend or in the event of another lockdown.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

A risk register and investment policy is in place with the principal risks being:

Area of Risk	Potential Risk	Mitigation/Treatment
Health and Safety (H&S) obligations & responsibilities for residential & commercial tenants and schools	Fires & any other building and property service related fault (in light of Grenfell Tower faults)	Appoint a dedicated full time Property Manager / Property Management Agent to manage the complete property portfolio.
Investment Properties Income	Downturn in rental income generation	Employing the services of a Property Management Agent to ensure that investment properties are fully occupied and that rents received are at least at market/budgeted rates. Consider repayment plans to retain struggling commercial tenants.
Investment Property Values	Downturn in the property market affecting investment property values	By looking to broaden the investment portfolio
Student Fee Income	A significant reduction in student intake impacting on school fee income	A concerted programme of media advertising and open days to attract students to our schools. Assess the fees charged and work on a projected forecast which covers a 5-year period
Music Publishing Royalties	Non-renewal of publishing royalties contracts with music publishers.	Constantly reviewing future commercial opportunities for the music catalogue.

A review of the charity's structure began during the year and is ongoing as is a review of the internal reporting systems. These will be developed further and finalised during the course of the current financial period. A series of sponsorship activities are planned which will continue to see the Foundation working in co-operation with other approved charities having the same charitable objectives as well as the local community, these activities form part of the Foundation's development plan. The charity is continuing the work of developing the Maqam Centre with the opening of the ground floor having already taken place. Following the opening of all floors of the Maqam Centre it is expected to be a very busy and exciting period in the delivery of the charity's activities. Funds are currently required to complete the upper floors and fundraising is planned for that purpose. Other future activities include the continued operations of the schools, including further enhancing and expansion of the facilities on the main purpose built school site, enlarging our scholarship programme and working in co-operation with charities for the public benefit.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The charity is a company limited by guarantee and incorporated under the Companies Act 2006. The company's governing document is its Articles of Association. Yusuf Islam Foundation is the parent entity of the group. Its subsidiaries are: Islamia Schools Limited (Charity no. 1134516. Company no. 07055378), Firecat Music Limited (Company no. 01822129), formally known as Salafa, and Maqamat Limited (Company no. 07183033).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs Fawziah Islam

Mr Yusuf Islam

(Appointed 17 June 2020)

Dr Abdulkarim Khalil

Mr Shabir Randeree

Mr Muhammad Yoriyos Adamos

The trustees are in regular communication and meet to discuss delivery of the objectives and strategic matters of the charity. A management structure is in place to provide controls and ensure the efficient and successful running of the charity. The trustees may appoint by ordinary resolution a person who is willing and eligible to be a trustee. Trustee vacancies are usually filled by carrying out a skills audit to ensure diversity and highlight the qualities and skills the charity needs. All members of the company are entitled to receive notice of any resolution to be put to a general meeting to appoint a trustee. One new trustee was appointed during the year and there were no resignations.

As part of a review of governance, the trustees asked law firm Veale Wasbrough Vizards to continue to advise on the structure of the charity, various rectification matters relating to property development and remuneration and a review of the Articles of Association.

Trustees maintain a good working knowledge of charity and company law and best practice. Trustees are provided with training in order to carry out their duties to the best of their abilities and in the best interests of the charity. Training and induction is provided on an ad hoc basis for all trustees as necessary. An information pack was issued to each trustee containing internal reports, the latest Charity Commission guidance on a range of matters as well as updated editions of the charity's policies. This pack is routinely updated with new guidance.

During the year, responsibility for managing external relationships, new initiatives, and for managing governance and relationships with the board formed part of the responsibility of the Group Chief Executive Officer, Mrs Hasana Islam. A Finance Committee monitors cash flow and reviews the group's financial activities. The Finance Committee reports directly to the Board of Trustees. A Scholarship Funding Board meets at least once a year to approve scholarship applications.

Professional development during the year at trustee and senior management level was maintained to keep up to date with the latest legislation and developments in the charity and education sectors. The Foundation's senior managers are appraised by trustees who are not involved in the day to day running of the organisation. The schools Headteacher continues to be appraised by independent external advisers.

The Foundation is constantly reviewing its policies and procedures and has continued to work with advisers during the year and also benefits from internal assessments, including self-assessments and stakeholder surveys.

Key management remuneration

All key personnel is determined with reference to publicly available data. The CEO and Executive Director are remunerated through the Yusuf Islam Foundation.

YUSUF ISLAM FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of Yusuf Islam Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

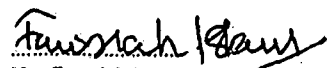
Auditor

In keeping with the recommended practice that Auditors should rotate after a set period of time, the Yusuf Islam Foundation put its audit out for tender following which the AMS Accountants Corporate Limited was successfully appointed. AMS Accountants Corporate Limited have expressed their willingness to take up office and will remain as Auditor unless a resolution is passed by the company changing this status.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Mrs Fawziah Islam

Trustee

Dated: 22nd November 2021

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF YUSUF ISLAM FOUNDATION

Opinion

We have audited the financial statements of Yusuf Islam Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.
-

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YUSUF ISLAM FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

YUSUF ISLAM FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF YUSUF ISLAM FOUNDATION

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

The prior year financial statements were audited by Deloitte LLP and an unqualified opinion was issued.

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.



David Clegg (Senior Statutory Auditor)
for and on behalf of AMS Accountants Corporate Limited

22nd November 2021

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

YUSUF ISLAM FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3	533,091	282,497	815,588	121	164,345	164,466
Charitable activities	4	1,622,333	-	1,622,333	1,800,961	-	1,800,961
Other trading activities	5	-	-	-	1,201,301	-	1,201,301
Investments	6	412,494	-	412,494	418,828	-	418,828
Other income	7	88,269	-	88,269	-	-	-
Total income		2,656,187	282,497	2,938,684	3,421,211	164,345	3,585,556
<u>Expenditure on:</u>							
Raising funds	8	(165,126)	-	(165,126)	(1,128,532)	-	(1,128,532)
Charitable activities	9	(2,578,804)	(69,573)	(2,648,377)	(2,534,809)	(180,545)	(2,715,354)
Total resources expended		(2,743,930)	(69,573)	(2,813,503)	(3,663,341)	(180,545)	(3,843,886)
Net gains/(losses) on investments	16	(200,958)	-	(200,958)	-	-	-
Net (outgoing)/incoming resources before		(288,701)	212,924	(75,777)	(242,130)	(16,200)	(258,330)
Gross transfers between funds		110,026	(110,026)	-	-	-	-
Net (expenditure)/income for the year/							
Net movement in funds		(178,675)	102,898	(75,777)	(242,130)	(16,200)	(258,330)
Fund balances brought forward		22,491,520	78,037	22,569,557	22,733,650	94,237	22,827,887
Fund balances carried forward		22,312,845	180,935	22,493,780	22,491,520	78,037	22,569,557

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

YUSUF ISLAM FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2021

		Group		Charity	
	Notes	2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible fixed assets	15	13,556,050	13,441,681	13,657,662	13,550,407
Investment properties	16	6,980,000	7,180,958	6,980,000	7,180,958
Investments	17	-	-	200	200
		<u>20,536,050</u>	<u>20,622,619</u>	<u>20,637,862</u>	<u>20,731,565</u>
Current assets					
Stock	18	29,532	28,998	29,532	28,998
Debtors	19	604,982	121,367	312,601	147,932
Cash at bank and in hand		2,572,338	2,982,247	1,636,468	1,915,796
		<u>3,206,852</u>	<u>3,132,612</u>	<u>1,978,601</u>	<u>2,092,726</u>
Creditors: amounts falling due within one year	20	(1,184,772)	(1,185,674)	(235,579)	(318,936)
Net current assets		<u>2,022,080</u>	<u>1,946,938</u>	<u>1,743,022</u>	<u>1,773,790</u>
Total assets less current liabilities		<u>22,558,130</u>	<u>22,569,557</u>	<u>22,380,884</u>	<u>22,505,355</u>
Creditors: amounts falling due after more than one year	21	(64,350)	-	-	-
Net assets		<u>22,493,780</u>	<u>22,569,557</u>	<u>22,380,884</u>	<u>22,505,355</u>
Income funds					
Restricted funds		180,935	78,037	159,638	56,738
Unrestricted funds		22,312,845	22,491,520	22,221,246	22,448,617
Net assets		<u>22,493,780</u>	<u>22,569,557</u>	<u>22,380,884</u>	<u>22,505,355</u>

The income and deficit of the parent charity for the year for Companies Act purposes is £1,326,914 and £73,135 surplus respectively (2020: £774,842 and £279,195 deficit). As permitted by Section 408 of the Companies Act 2006, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements were approved by the Trustees on 22nd November 2021



Mrs Fawziah Islam
Trustee

Company Registration No. 07055355

YUSUF ISLAM FOUNDATION

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(687,888)		(517,060)
Investing activities					
Purchase of tangible fixed assets		(134,515)		(21,238)	
Purchase of stock		-		(28,998)	
Investment income received		412,494		418,828	
Net cash generated from investing activities			277,979		368,592
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(409,909)		(148,268)
Cash and cash equivalents at beginning of year			2,982,247		3,130,715
Cash and cash equivalents at end of year			<u>2,572,338</u>		<u>2,982,247</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Yusuf Islam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Maqam Centre, Tiverton Road, London, NW10 3HJ. There are currently five trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are confident that they would be able to continue the activities of the charity in the event of a significant drop in funding due to the level of unrestricted reserves and free cash reserves. For further information, please see consideration of going concern in the trustees' report. Based on a review of cash flows and forecasts covering a year from the date of signing, the trustees are satisfied that the charitable company and group is a going concern and accordingly they continue to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Investment income relates to rental income received in respect of the charity's investment properties and also interest receivable generated from the charity's cash investments.

Deferred income is recognised and released on a proportioned basis, calculated by reference to the proportion of school fees invoiced in advance.

Charitable activities relate to school fees receivable by Islamia Schools Limited, in respect of the two schools run by that charity being Islamia Girls' School and Brondesbury College for boys, based in Queens Park and Brondesbury Park, London respectively.

Other trading activities relate to the receipt of royalties by the charity's subsidiary, Firecat Music Limited, income from funds transferred from unincorporated entities for the furtherance of charitable activities, and other income.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes:

Grant funding of activities is recognised on the basis that the charity has an obligation, when transfer of the funding is probable and the amount of the obligation can be measured or estimated reliably. Grants are made at the discretion of the trustees on a case-by-case basis.

Activities undertaken directly relate to directly attributable costs in pursuance of the charity's objectives and an allocation of support costs. Support costs are allocated in line with the basis that they relate to the charitable activities of the charity but are not directly related to the income generated from such activities. The vast majority of support costs comprise teaching and administration salaries.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trusts programmed and activities. These costs have been allocated between cost of teaching, promotional work and expenditure on community centre activities. The bases on which support costs have been allocated are set out in the notes to the financial statements. No support costs are allocated to fundraising or grant making on the grounds of materiality.

Governance costs are included in support costs and relate to accountancy, audit, legal and professional advice provided to the group.

Expenditure on raising funds relates to professional income payable and royalties payable by the charity's subsidiary, Firecat Music Limited, and are recognised on an accruals basis. Also included are maintenance costs relating to property investment income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Leasehold land and buildings	Not depreciated
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Freehold land and assets in the course of construction are not depreciated.

Land and buildings are stated in the accounts at cost. The trustees consider that the useful economic life of these buildings is sufficiently long and the market value in excess of cost. Accordingly, the trustees are satisfied that no depreciation needed to be charged in the accounts against the value of the buildings as 95% of the value relates to land and therefore the depreciation charge would be immaterial.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. Construction Costs have taken place on the centre this year and the ground floor facilities opened during the final quarter of 2019 on a short term lease, although construction works continued around the facility. The trustees are satisfied that no adjustment for depreciation, impairment of valuation is needed until the centre is complete.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The Maqam Centre, London, NW10 has been classed as an asset in the course of construction to more clearly show its current stage of development. Construction cost have taken place on the Centre in the current year and prior year, the ground floor facilities opened during the final quarter of 2019 on a short term lease, although construction works continue around the facility. The trustees are satisfied that no adjustment for depreciation, impairment or valuation is needed until the Centre is complete.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (Chapters 2 and 3 or part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.15 Basis of consolidation

The trading activities of the charity's wholly owned subsidiary, Firecat Music Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Firecat Music Limited's results relate to the accounting period up to 31 March 2021.

The activities of the trading subsidiary, Maqamat Limited, are incorporated in the accounts and consolidated on a line-by-line basis. Maqamat Limited's results relate to the accounting period up to 31 March 2021.

The trading activities of the charity's wholly owned subsidiary, Islamia Schools Limited, are incorporated in these accounts and consolidated on a line-by-line basis. Islamia Schools Limited results relate to the accounting period up to 31 March 2021.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Fair value of investment properties

The trustees engage a Chartered Surveyor to carry out a valuation of investment properties held by the charity at regular intervals. During the interim periods, the trustees review rent yields in consultation with the charity's property manager to ensure that fair value has remained consistent with prior years.

The Maqam Centre is currently held as an asset under construction. Upon completion of the on-going development, when the centre comes into full operation, it will be transferred to investment property status.

The trustees do not consider there are any other critical judgements or sources of estimation uncertainty requiring disclosure.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	533,091	282,497	815,588	121	164,345	164,466

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
School fees receivable	<u>1,622,333</u>	<u>1,800,961</u>

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Publishing royalties	-	1,200,000
Trading activity income: other	-	1,301
Other trading activities	<u>-</u>	<u>1,201,301</u>

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Rental income	393,460	400,468
Investment income	<u>19,034</u>	<u>18,360</u>
	<u>412,494</u>	<u>418,828</u>

7 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Government grants	35,000	-
Coronavirus job retention scheme grants	52,736	-
Sundry income	<u>533</u>	<u>-</u>
	<u>88,269</u>	<u>-</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Raising donations	-	35,473
<u>Trading costs</u>		
Music publishing trading costs	61,616	1,020,000
Property trading costs	-	46,332
Trading costs	61,616	1,066,332
Investment management costs	103,510	26,727
	<u>165,126</u>	<u>1,128,532</u>

9 Charitable activities

	Activities undertaken directly	Activities undertaken directly
	2021	2020
	£	£
Teaching	1,675,919	1,736,655
Promotional work	827,807	652,477
Community centre	41,581	40,546
Other	103,067	285,676
	<u>2,648,377</u>	<u>2,715,354</u>
Share of support costs (see note 10)	582,180	635,478
Share of governance costs (see note 10)	254,560	354,752
	<u>836,740</u>	<u>990,230</u>
Analysis by fund		
Unrestricted funds	2,578,804	2,534,809
Restricted funds	69,573	180,545
	<u>2,648,377</u>	<u>2,715,354</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Support & Governance costs

	Support costs	Governance costs	2021 Support costs	Governance costs	2020
	£	£	£	£	£
Teaching	516,998	-	516,988	490,479	490,479
Promotional work	14,702	242,360	257,062	97,315	431,633
Community Centre	2,082	4,590	6,672	2,130	9,664
Other	48,397	7,610	56,007	45,553	58,454
	<u>582,180</u>	<u>254,560</u>	<u>836,740</u>	<u>635,478</u>	<u>990,230</u>

Governance costs relate to legal, audit and accountancy work. Operational costs include utilities, teaching resources, office costs, repairs and maintenance as well as depreciation.

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:

	2021	2020
	£	£
Audit of the charity's annual accounts	13,250	12,480
Other services to the group		
- the audit of the charity's subsidiaries	12,750	23,990
Total audit fees	<u>26,000</u>	<u>36,470</u>
Non-audit services		
Taxation compliance services	1,500	6,120

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Employees

The average monthly number of employees during the year was:

	Group 2021 Number	2020 Number	Charity 2021 Number	2020 Number
Teaching staff	32	33	-	-
Support staff	10	11	-	-
Management	5	4	5	4
Security	3	3	-	-
	<u>50</u>	<u>51</u>	<u>5</u>	<u>4</u>
Employment costs	Group 2021 £	2020 £	Charity 2021 £	2020 £
Wages and salaries	1,290,675	1,291,277	243,500	169,622
Social security costs	108,879	100,985	23,542	13,854
Other pension costs	33,801	32,375	7,393	4,655
	<u>1,433,355</u>	<u>1,424,637</u>	<u>274,435</u>	<u>188,131</u>

14 The number of employees whose annual remuneration was over £60,000 during the year was 1 (0 - 2020).

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Tangible fixed assets Group

	Freehold land and buildings	Leasehold land and buildings	Assets under construction	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	4,589,484	458,173	8,378,232	42,232	6,800	13,474,921
Additions	-	-	83,031	28,303	23,180	134,514
At 31 March 2021	4,589,484	458,173	8,461,263	70,535	29,980	13,609,435
Depreciation and impairment						
At 1 April 2020	-	-	-	31,899	1,360	33,259
Depreciation charged in the year	-	-	-	14,130	5,996	20,126
At 31 March 2021	-	-	-	46,029	7,356	53,385
Carrying amount						
At 31 March 2021	4,589,484	458,173	8,461,263	24,506	22,624	13,556,050
At 31 March 2020	4,589,485	458,173	8,378,232	10,331	5,440	13,441,661

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Investment property

	2021 £
Fair value	
At 1 April 2020 and 31 March 2021	7,180,958
Net gains or losses through fair value adjustments	(200,958)
	<u>6,980,000</u>

Investment property comprises freehold and leasehold land and buildings. Investment property is stated at fair value based on the last valuation carried out in November 2021 by a FRICS qualified surveyor on an open market basis by reference to market evidence of similar property valuations.

Between valuations the Trustees review the properties for indicators of impairment or significant increase in value based on property indices. The next independent valuation will be undertaken in 2026.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2021 £	2020 £
Cost	6,762,078	6,762,078
Accumulated depreciation	-	-
Carrying amount	<u>6,762,078</u>	<u>6,762,078</u>

17 Fixed asset investments

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Investments in subsidiaries	-	-	200	200
	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>

Details of the company's subsidiaries at 31 March 2021 are as follows, all subsidiaries are held at cost:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Maqamat Ltd	Same as parent company	Ordinary	100.00
Firecat Music Ltd	Same as parent company	Ordinary	100.00
Islamia Schools Ltd	Same as parent company	Ordinary	100.00

18 Stocks

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Finished goods and goods for resale	<u>29,532</u>	<u>28,998</u>	<u>29,532</u>	<u>28,998</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Debtors

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	436,295	50,656	106,285	39,635
Amounts owed by subsidiary undertakings	-	-	61,385	62,763
Other debtors	99,753	22,751	2,003	2,003
Prepayments and accrued income	68,934	47,960	142,928	43,531
	<u>604,982</u>	<u>121,367</u>	<u>312,601</u>	<u>147,932</u>

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Other taxation and social security	29,973	39,989	13,007	10,939
Grants payable	-	76,039	-	76,039
Trade creditors	107,873	55,304	38,280	37,963
Other creditors	264,866	293,480	64,444	62,890
Accruals and deferred income	782,060	720,862	86,948	81,290
Amounts owed to subsidiary undertakings	-	-	32,900	49,815
	<u>1,184,772</u>	<u>1,185,674</u>	<u>235,579</u>	<u>318,936</u>

21 Creditors: amounts falling due after more than one year

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Other creditors	<u>64,350</u>	<u>-</u>	<u>-</u>	<u>-</u>

23 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £33,801 (2020 - £32,375).

24 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	13,556,050	-	13,556,050	13,441,661	-	13,441,661
Investment properties	6,980,000	-	6,980,000	7,180,958	-	7,180,958
Current assets/(liabilities)	1,841,145	180,935	2,022,080	1,868,901	78,037	1,946,938
Long term liabilities	(64,350)	-	(64,350)	-	-	-
	<u>22,312,845</u>	<u>180,935</u>	<u>22,493,780</u>	<u>22,491,520</u>	<u>78,037</u>	<u>22,569,557</u>

25 Related party transactions

There were no disclosable related party transactions during the year.

YUSUF ISLAM FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26	Cash generated from operations	2021	2020
		£	£
	Surplus/(deficit) for the year	(75,777)	(258,330)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(412,494)	(418,828)
	Depreciation and impairment of tangible fixed assets	20,126	9,807
	Fair value gains and losses on investments	200,958	
	Movements in working capital:		
	(Increase) in stocks	(534)	-
	(Increase)/decrease in debtors	(483,615)	81,091
	Increase in creditors	63,448	69,200
	Cash absorbed by operations	(687,888)	(517,060)
27	Analysis of changes in net funds		
	The charity had no debt during the year.		
