

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.

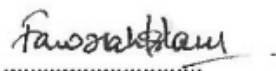
Auditor

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.

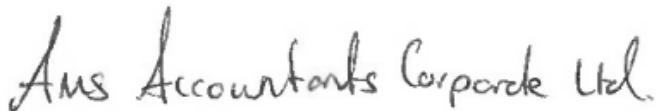
YUSUF ISLAM FOUNDATION

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

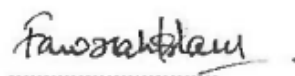
GROUP BALANCE SHEET

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
	<hr/>	<hr/>
Investment management and property trading costs	53,248	84,872
	<hr/>	<hr/>
	166,935	244,468
	<hr/> <hr/>	<hr/> <hr/>

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
	<hr/>	<hr/>
	2,387,961	2,227,964
	<hr/>	<hr/>
Share of support and governance costs (see note 10)		
Governance	264,621	301,532
	<hr/>	<hr/>
	2,652,582	2,529,496
	<hr/> <hr/>	<hr/> <hr/>
Analysis by fund		
Unrestricted funds	2,189,239	2,529,496
Restricted funds	463,343	-
	<hr/>	<hr/>
	2,652,582	2,529,496
	<hr/> <hr/>	<hr/> <hr/>

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.

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

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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.		