

Charity Registration Number: 1134963

AL-MADANI EDUCATIONAL TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

AL-MADANI EDUCATIONAL TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year 1 September 2020 to 31 August 2021

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AL-MADANI EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT

For the year 1 September 2020 to 31 August 2021

Reference and Administrative Information

Charity number: 1134963

Registered Office and Operational Address:

18 Painswick Road, Gloucester, GL4 6PW

Independent Examiner

H.A. Bhula, 5 Howard Street, Gloucester, GL1 4UR

Bankers

Lloyds, Eastgate Street, Gloucester, GL1 1NU

Barclays, Southgate Street, Gloucester, GL1 1NU

Trustees

The Trustees serving during the year and since the year end were as follows:

Mr Y Patel

Mr A Randera

Mr A S Patel

Mr S Patel

Mr A Patel

Mr A A Patel

AL-MADANI EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT (continued)

For the year 1 September 2020 to 31 August 2021

The Board of Trustees have pleasure in presenting The Annual Report and unaudited Financial Statements of the charity for the year ended 31 August 2021.

Legal Status and Governance

Al-Madani Educational Trust is a registered as a charity with the Charity Commission.

The Trustees are required to act in the best interest of the Charity and its beneficiaries.

Training and information provided includes advice about the role of Trustees and Charity law.

The Trustees make no personal gain from the Charitable Company.

Objectives of the charity

The objectives of the charity are to provide help and support for the Muslim Community in Gloucestershire, by the provision of services not otherwise provided by the statutory bodies.

Income is applied solely towards the promotion of the objectives and no portion shall be paid or transferred directly or indirectly by way of a bonus or profit to the members.

Organisational Structure

The Trustees are elected for a term of three years in accordance with the constitution.

Financial Controls

The Trustees have overall control of the organisation's finances. The daily management of the organisation's activities is delegated to the Executive Committee.

Investment powers and restrictions

There are no restrictions as to where funds may be invested, but policy must be agreed by the Trustees and the Management Committee.

Risk Management

The Trustees review these risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by the organisations' insurance. The following framework is central to ensuring adequate risk management:

- Regular monitoring of major risks and development of action plans;
- Embedding risk identification and assessment within operating procedures;
- A clear structure of delegated authority and control;
- Review of key systems and procedures.

In assessing risk Trustees recognise that some areas of our work require the acceptance and management of risk if our key objectives are to be achieved.

AL-MADANI EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT (continued)

For the year 1 September 2020 to 31 August 2021

Financial Review

Reserves Policy

The Board has set a Reserve of Restricted Funds equivalent to at least three-months operating costs. The reserves of £141,690 (2020 £121,079) do meet this criterion. The Trustees are of the opinion that they have guarantees of supporters to fund the running costs should they be need more than this.

Principal Funding Sources

Of the £508,499 income for the year 31% came from restricted grants, 55% from school fees and 14% from fundraising activities and donations.

More detail about income for the year and the Charity's financial position at the end of the year are shown in the Financial Statements on pages 6 to 7.

Principal Expenditure Items

Staff costs were £403,291 forming 82% of expenditure. As shown in the notes this was helped by the Coronavirus Job Retention Scheme Grant of £11,305. Property related costs amounted to 3% of the expenditure. The valuable time given by unpaid volunteers, including Trustees, is not quantified and not included in this figure.

The surplus for the year before gains on investments amounted to £20,611. (2020 £98,365).

Responsibilities of the Board of Trustees


The Board of Trustees are required to prepare Financial Statements for each financial year that give a true and fair view of the of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those Financial Statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts
- Prepare the Financial Statements on the 'going concern' basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the above principles in mind.

Approved by the Board of Trustees on and signed on its behalf by:


Mr Y Patel
Chairman/Trustee

AL-MADANI EDUCATIONAL TRUST

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES

I report on the accounts of the Trust for the year ended 31 August 2021, which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this year under section 144 of the Charities Act 2011("the Charities Act") and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Charities Act, to follow procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act and to state whether matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Trust and a comparison of the accounts presented with those records. It also includes the consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiners' report

In connection with our examination, no material matter has come to my attention which gives me cause to believe that in any material respect:

- The accounting records were kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did not comply with the applicable requirements concerning the form and content of Accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



H A BHULA (FCCA)
Chartered Certified Accountant
5 Howard Street
Gloucester.
GL1 4UR

7th August 2022

AL-MADANI EDUCATIONAL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL FUNDS 2021 £	TOTAL FUNDS 2020 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	31,438	313,580	345,018	359,407
Activities for generating funds		0	0	0	0
Investment income		6,000	0	6,000	8,000
<i>Incoming resources from charitable activities</i>					
	3	20	157,461	157,481	164,308
TOTAL INCOMING RESOURCES		37,458	471,041	508,499	531,715
RESOURCES EXPENDED					
<i>Cost of generating funds</i>					
Fundraising and trading	4	0	487,888	487,888	432,800
<i>Charitable Activities</i>					
<i>Governance costs</i>	5	0	0	0	550
TOTAL RESOURCES EXPENDED		0	487,888	487,888	433,350
Net movement in funds		37,458	(16,847)	20,611	98,365
Transfer between funds		-	-	-	-
Reconciliation of funds					
Total funds brought forward		52,938	68,141	121,079	22,714
Total funds carried forward	9	90,396	51,294	141,690	121,079

The Charity has no recognised gains or losses other than the results for the year as set out above.
All the activities of the Charity are classed as continuing.

The notes on pages 8 to 12 form an integral part of these financial statements

AL-MADANI EDUCATIONAL TRUST
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	Charity 2021 £	Charity 2020 £
FIXED ASSETS			
Tangible assets		-	-
		<hr/> -	<hr/> -
CURRENT ASSETS			
Debtors and prepayments	7	2,838	2,542
Cash at bank and in hand		<u>145,620</u>	<u>125,641</u>
		148,458	128,183
LIABILITIES			
Creditors: amounts due within one year	8	<u>6,768</u>	<u>7,104</u>
NET CURRENT ASSETS		141,690	121,079
NET ASSETS		<hr/> 141,690	<hr/> 121,079
Financed by:			
ACCUMULATED FUNDS			
Unrestricted	9	90,396	52,938
Restricted	9	51,294	68,141
TOTAL CHARITY FUNDS		<hr/> 141,690	<hr/> 121,079

These Financial Statements were approved by the Board of Trustees on 7th August 2022 and were signed on its behalf by:



Mr Y Patel
Chairman/Trustee

The notes on pages 8 to 12 form an integral part of these financial statements

AL-MADANI EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

1-ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year, are set out below:

a) Basis of accounting

The financial statements have been prepared in accordance with the Charities SORP (FRSSE) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) the Financial Reporting Standard for Smaller Entities. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Funds accounting

Funds held by the Charity are:

Unrestricted funds - these are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Charity.

Restricted funds - these are funds that can only be used for restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 14 to the Financial Statements.

c) Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Incoming resources from tax claims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income is recognised when receivable.

Income from charitable activities includes some recognised as earned (as the related goods or services are provided) under contract.

d) Resources expended

Resources expended are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1-ACCOUNTING POLICIES-(continued)

d) Resources expended (continued)

Charitable expenditure comprises those costs that are incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs include central functions and have been allocated to activity costs categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their useage.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

e) Donated goods and volunteer services

The Charity has not received any goods for use by the Charity itself.

The value of services provided by volunteers is not incorporated into these Financial Statements.

f) Taxation

Al Madani is a registered Charity under the Charities Act 2011 and as such is exempt from taxation of its income and capital gains.

Tax recovered from voluntary income received under gift aid is recognised when the tax refund is received and is allocated to the income category to which the income relates.

g) Pension

The Trust makes contributions to the NEST pension schemes of eligible employees. This is a defined contribution scheme. A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Trust has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment. Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

AL-MADANI EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

2-VOLUNTARY INCOME

Voluntary income for the year falls into the following categories.

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 2021	TOTAL FUNDS 2020
	£	£	£	£
<i>Fees</i>				
-Al-Ashraf Secondary	-	89,503	89,503	121,252
-Al-Ashraf Primary	-	187,630	187,630	173,259
-Al-Ashraf Nursery	-	-	-	-
<i>Gift Aid tax reclaimed</i>				
-Al-Ashraf Secondary	5,929	0	5,929	1,643
-Al-Ashraf Primary	-	-	-	-
-Al-Ashraf Nursery	-	-	-	-
<i>Appeals and Donations</i>				
-Al-Ashraf Secondary	-	36,447	36,447	34,472
-Al-Ashraf Primary	25,509	-	25,509	28,781
-Al-Ashraf Nursery	-	-	-	-
Total voluntary income	31,438	313,580	345,018	359,407

3-INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS 2021	TOTAL FUNDS 2020
	£	£	£	£
<i>Local Authority Grants</i>				
-Al-Ashraf Secondary	-	-	-	-
-Al-Ashraf Primary	-	25,383	25,383	28,926
-Al-Ashraf Nursery	-	131,078	131,078	133,657
<i>Other Fund Raising and sundry income</i>				
-Al-Ashraf Secondary	-	1,000	1,000	1,625
-Al-Ashraf Primary	20	-	20	100
-Al-Ashraf Nursery	-	-	-	-
Total incoming resources	20	157,461	157,481	164,308

AL-MADANI EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

4-COST OF CHARITABLE ACTIVITIES

The amount spent on charitable activities including support costs is analysed between Services and projects, as follows:

	Secondary School	Primary School	Nursery School	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£	£	£	£
Direct costs							
Employment costs	131,000	184,857	87,434	0	403,291	403,291	355,754
Property related costs	9,985	1,686	5,337	0	17,008	17,008	19,481
Repairs and maintenance	4,216	519	1,081	0	5,816	5,816	3,052
Training, Activities & Equipt	1,029	5,096	978	0	7,103	7,103	6,385
Telephone and IT	741	5,511	611	0	6,863	6,863	3,964
Insurance	3,314	1,600	2,144	0	7,058	7,058	7,219
Subscription and Exam Fees	2,349	3,541	-	0	5,890	5,890	4,169
Stationery and Books	1,192	9,660	903	0	11,755	11,755	13,890
Postage,							
Printing and Advertising	1,411	586	-	0	1,997	1,997	3,816
Sundries and Cleaning	587	13,631	6,889	0	21,107	21,107	15,070
	155,824	226,687	105,377	0	487,888	487,888	432,800

5-GOVERNANCE COSTS

The governance costs consisted of the following direct and indirect costs:

	2021 £	2020 £
Legal and professional fees	0	550
Management salary cost	-	-
	0	550

6-STAFF COSTS

	2021 £	2020 £
Total emoluments paid to employees:		
Wages & Salaries	385,716	338,977
Social Security - employers	21,348	18,832
Pension	7,532	8,011
Coronavirus Job Retention Scheme Grant	(11,305)	(10,066)
	403,291	355,754

No employee earned £60,000 or more in the current or preceding accounting year.

Trustees are not remunerated.

AL-MADANI EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

7-DEBTORS

	2021 £	2020 £
Prepayments and accrued income	<u>2,838</u>	<u>2,542</u>

8-CREDITORS AND ACCRUALS: amounts falling due within 1 year

	2021 £	2020 £
Other creditors	0	300
Accruals	<u>6,768</u>	<u>6,804</u>
	<u>6,768</u>	<u>7,104</u>

9-CONSOLIDATED STATEMENT OF FUNDS

	1 September 2020 £	Incoming £	Outgoing £	Transfer between funds £	31 August 2021 £
RESTRICTED FUNDS					
Al-Ashraf Secondary	-	126,950	155,824	28,874	-
Al-Ashraf Primary	-	213,013	226,687	13,674	-
Al-Ashraf Nursery	68,141	131,078	105,377	(42,548)	51,294
TOTAL	68,141	471,041	487,888	-	51,294
UNRESTRICTED FUNDS					
General Fund	52,938	37,458	0	-	90,396
TOTAL FUNDS	121,079	508,499	487,888	-	141,690

10-CONTINGENT LIABILITIES

At 31 August 2021 Al-Madani Educational Trust had no known contingent liabilities.

11-CAPITAL COMMITMENTS

	2021 £	2020 £
Capital expenditure that has been contracted for but has not been provided for in the Financial Statements	<u>NIL</u>	<u>NIL</u>
Capital expenditure that has been authorised by the Trustees but has not been contracted for	<u>NIL</u>	<u>NIL</u>