

**THE IDRIES SHAH FOUNDATION**  
**ANNUAL REPORT OF TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2023**

## **THE IDRIES SHAH FOUNDATION**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

|                       |  |   |
|-----------------------|--|---|
| Trustees:             | Asya Verzhbinsky<br>Clare Maxwell-Hudson<br>Elizabeth Dilly<br>Daniel Whitaker   | (Resigned 19 April 2023)<br><br><br>(Appointed 1 February 2023) |
| Charity Number:       | 1150876  |   |
| Company Number:       | 08193475   |   |
| Registered Office:    | 8 Belmont<br>Lansdown Road<br>Bath<br>BA1 5DZ  |   |
| Independent Examiner: | Alexandra Shore FCA CTA DChA<br>A C Mole<br>Stafford House<br>Blackbrook Park Avenue<br>Taunton<br>Somerset<br>TA1 2PX |   |

## **THE IDRIES SHAH FOUNDATION**

### **CONTENTS**

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Trustees' Report                  | 1 – 11      |
| Independent Examiner's Report     | 12          |
| Statement of Financial Activities | 13          |
| Balance Sheet                     | 14          |
| Notes to the Financial Statements | 15 - 31     |

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees are pleased to present their Annual Report together with the Financial Statements of the Charity for the year ended 31 March 2023, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

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 Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

The Idries Shah Foundation is a registered Charity (No. 1150876) and a Company Limited by Guarantee (No. 08193475) and was incorporated on 29th August 2012.

### **OBJECTIVES AND ACTIVITIES**

The objects of the charitable company, as set out in the Articles of Association are:-

- The advancement of education by the dissemination and promotion of the works of Idries Shah; and
- The promotion of the arts, culture and heritage with particular (but not exclusive) reference to the works of Idries Shah.

The aim of the Charity is to promote tolerance and cultural understanding by the dissemination of Sufi ideas as widely as possible. Sufi culture and heritage stress values of respect and tolerance towards all human beings.

These ideas, which constitute a philosophical system originating from within the Islamic world, promote a balanced mental outlook, the ability to think for oneself, a non-literalist approach to religion, tolerance towards other people and ideas, women's rights, humour and common sense.

For more than 40 years, Idries Shah collected centuries of traditional Sufi literature from across the Middle East and Asia, translating the original Persian, Arabic and Urdu material into English. This canon included 'teaching-stories' which Sufis have used from time immemorial to help people think more flexibly, as well as sayings, proverbs and aphorisms. Shah made much of this material available to the wider Western public for the first time – and he offered an interpretation of this invaluable resource that was uniquely framed for our times.

Taken as a whole, Shah's corpus remains a unique source of Sufi literature in the English language and represents probably the most comprehensive collection of Sufi stories in the world. Shah's works drew extensively from past Sufi luminaries, including Jalaluddin Rumi, Hafez, Sheikh Saadi, Fariduddin Attar, Ibn el-Arabi, El-Ghazali and Omar Khayyam – all widely acknowledged as philosophers and thinkers who contributed profoundly to the development of human thought and society. The Trustees are aiming to achieve the charitable objectives by the distribution of the works of Idries Shah. In pursuance of the charitable aims the Trustees' approach is threefold: -

- To continue to promote an English publishing programme, re-introducing the works of Idries Shah in hard copy, electronic and audio editions.



## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

- To continue to develop The Idries Shah Foundation website through which these works are made freely available to the general public who have access to the internet; to develop a presence and make available information about ISF on established and emerging online social media platforms; and to sell books in the various editions through leading online bookshops.
- To continue to promote a translation programme with an emphasis placed on producing editions of Sufi works aimed at the Islamic world; and Spanish editions aimed at the Latin world. To arrange charitable distribution of works by Idries Shah in original version and translation, both abroad and at home.

The Trustees recognise that the aims of the Charity are such that their approach must be developed over a medium to long-term timescale.

In terms of monitoring the development and impact of the activities in the short term the Board receives regular reports expressing the progress made in the publishing and translation programmes measured against time-scale and budget. It is augmented by reports from the various media platforms of the book sales achieved and (wherever possible) the location of the customer. Furthermore, the reach and impact of the website is monitored through the use of visitor data, with particular attention paid to organic visitors and keyword ranking. The performance of ISF's social media platforms are also rigorously monitored and the trustees receive regular performance updates.

### **PUBLIC BENEFIT**

The Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements demonstrates the benefit to the public.

### **ACHIEVEMENT AND PERFORMANCE**

#### **Introduction**

With the exception of one title, Sufi Studies East and West, the foundation is very proud to have completed its republishing of the complete works of Idries Shah in English.

During this financial year, some 20,000 visitors have explored Idries Shah's books on the ISF website for free, the majority residing in the USA, India, Pakistan and the UK; there have been nearly 300,000 downloads of the ISF podcast, which features excerpts from the audiobooks; Idries Shah teaching-stories made available on a second podcast, Story of the Day, have — as of October 2023 — been downloaded some 60,000 times and are proving especially popular in South Africa and Qatar; 10,000 Turkish translations of titles, including The Book of the Book and Learning How to Learn, have recently gone on sale in partnership with a new Istanbul publisher; ISF continues to make its Farsi translations available to Iranians via the internet at a time when genuine Sufi material is needed in the Islamic world more than ever, and it is hoped that Shah's contribution to human thought can help nourish a non-literalist approach to religion, tolerance and women's rights. Meanwhile, ISF continues to distribute Idries Shah's seminal works such as Tales of the Dervishes in many parts of Afghanistan thanks to its partner, the Afghan NGO, Khatiz Organization for Rehabilitation (KOR).

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **Planning**

The CEO was instructed by the board to work on a plan to be delivered in May 2023 that would: a) ensure the long-term sustainability of the charity and the publishing of Idries Shah's books until May 2041 when the license with the Estate of Idries Shah expires; b) explore new opportunities for distributing the books through charitable and commercial channels, and write a marketing strategy; c) consider the charity's future role as a promoter of Idries Shah's works and ideas through cultural activities, such as public lectures and symposiums, and the feasibility of fundraising for such activity.

To carry out this work, the CEO consulted with the charity's stakeholders, chiefly Saira Shah, former major donors and former trustees of the Institute for Cultural Research (ICR), who were instrumental in establishing ISF; specialists in publishing and marketing, fundraising and charity planning; and also board members, specifically Elizabeth Dilly who is a professional fundraiser in the United States, and Clare Maxwell-Hudson who worked for many years with Idries Shah supporting his cultural activities and the dissemination of Sufi literature.

#### **Publishing**

##### English

ISF is licensed to publish one final title in English, Sufi Studies East and West. This is a symposium published in 1973 in honour of Idries Shah's services to Sufi studies by 24 contributors, mostly leading specialists and academics drawn from East and West. Having completed the production work on this out-of-print title (a labour intensive process that involves scanning the original text, proofing, typesetting and then proofing again), ISF had intended to publish the book in 2023. However, the trustees deemed it more fitting to delay publication until January 2024 to coincide with Shah's centenary year. This will complete the foundation's commitment to re-publishing the complete works of Idries Shah in English.

Production was completed on a selection of five illustrated Idries Shah teaching-stories hand-printed in Bristol. These will also be released in late 2023 to coincide with Shah's centenary and sold on the ISF website and through specialist booksellers.

Regarding the core works, a considerable amount of work continues behind the scenes, maintaining all the books in their many editions — hardback, paperback, ebook and audiobook — on a number of major online commercial platforms in numerous countries. The involves adjusting prices to ensure printing and distribution costs are met, entering into promotional deals, promoting the books through the use of keywords, and encouraging readers to leave favourable reviews, which help boost the list's rankings.

##### Spanish

ISF is licensed to publish 17 Idries Shah books in Spanish translation. 15 are available to purchase on all major e-commerce platforms. They are also available to read for free on the ISF website.

There are two remaining Spanish titles to be published: Tales of the Dervishes and Learning How to Learn. Delivery of the latter title is expected in June 2023, and the two titles will be launched together by the end of the year.

ISF is deeply grateful to the considerable financial donations it has received in support of this effort.

##### Middle East and Asian

ISF is extremely pleased to report that its partnership with Istanbul publisher Destek Yapım Prodüksiyon culminated in late 2022 with the publishing of 10 titles (see below) translated by ISF — Saira Shah having overseen the translation of her father's work as part of the Middle East and Asian publishing programme. Released with a set of eye-catching covers by the enthusiastic publisher, Kaan Cumalıoğlu, the books have been stocked by the country's major booksellers. These editions are also being made available elsewhere in the Turkish-speaking world.

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### Illustrated Children's Books

ISF intends to make its remaining six children's books available on its website and as print-on-demand paperback editions as soon as possible. They are: The Man the Tree and the Wolf, The Rich Man and the Monkey, The Boy with No Voice and the Men Who Couldn't Hear, The Tale of Melon City, Mushkil Gusha, and The Fisherman's Neighbour.

#### **Charitable Distribution**

At the time of writing, ISF has agreed to donate up to 500 copies of the books to crisis centres supporting the homeless victims of the recent Turkish earthquake.

6,000 copies of Tales of the Dervishes were distributed inside Afghanistan thanks to its partner, the Afghan NGO, Khatiz Organization for Rehabilitation (KOR).

By early 2023, it was agreed by the Board that ISF would begin seeking charitable partners running literacy projects, principally in the USA, and make the ISF titles available to them to support their programmes. It is hoped that through these efforts, ISF will be able to create an opportunity to partner with Hoopoe Books in supporting distribution of both charities' editions of Idries Shah's stories.

#### **Website and Social Media**

The CEO and a freelance website and social media content creator have continued to work together to build the capacity of the new ISF website launched in March 2022 to attract so-called organic traffic — visitors with a genuine interest in Sufi literature and wisdom, the majority of whom are not familiar with Idries Shah or his work. By embedding within the site a series of posts and 'landing' pages — and by coordinating this effort with a SEO consultant who manages the charity's free quote of Google AdWords — the past year has seen a 200% increase in organic visitors from 35,000 to 70,000. (NB organic visitors come to the site via non-sponsored links and are therefore deemed to have far higher engagement potential i.e. it is highly likely they are looking for material on Sufism.)

The site's analytics, which are scrutinized weekly, helping the team to hone content in accordance with the most popular Google search terms and phrases — such as 'Sufism' or questions like 'Who was Rumi?' — have shown a dramatic upswing in the time spent by visitors on the site, from a matter of seconds to an average of two minutes. The total number of visitors to the site was 222,500. The number of returning visitors on the previous year was up from 10% to 30%. As the team continues to improve the content of the individual book pages, ensuring that each works as a landing page in its own right — again supported by relevant AdWords more readers are discovering the online editions of the books, with 20,000 visitors exploring the books for an average of nearly 15 minutes per visit.

Since 2022, the team has been creating far more diverse social media content — and crucially posts contain 'a call to action' i.e. an enticement to users to come onto the site to continue reading a particular book, or a 'pillar post' about, say, Idries Shah's interpretation of the metaphysical phenomena that is Mullah Nasrudin. This strategy encourages visitors to turn away from the rabbit hole of social media to the website with its vast store of knowledge. ISF's social media content measured by Meta 'reach', meaning the number of users who saw ISF content, was 230,000. The number of users clicking on social media links to the site totalled 9,000.

#### **Cultural and Promotional Activities**

##### Turkey

In November, Saira Shah and the CEO travelled to Turkey for the launch by Istanbul publisher, Destek, of ISF's ten Turkish translations. They attended several promotional events; Saira gave interviews to local TV and newspapers; and she participated in a live online event hosted by the Sun of Humanity Foundation, a cultural charity.

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### Turkey (continued)

Saira and the CEO also worked on several short films, shooting in Istanbul and Anatolia with the aim of promoting the books and underscoring ISF's achievements and ongoing purpose and validity. The first film, 'A Postcard from Turkey' spoke to Idries Shah's work as a bridge between East and West; the Sufi message that we are all connected; the worrying decline in interest of Sufi ideas in the Islamic world; and ISF's work re-seeding the Sufi material Idries Shah made available in the West in accordance with the needs of the time just as Rumi did in Konya in the 13th century. A second film featured the young, enthusiastic and erudite Destek publisher, Kaan Cumalıoğlu, an enthusiastic proponent of Idries Shah's work, who spoke eloquently about how contemporary Sufi ideas framed by Idries Shah for the West can benefit Turkish society. Two more short films promoted the Nasrudin books and celebrated the Mullah's enduring legacy. The first featured ordinary Turks telling their favourite stories along with Turkey's master puppeteer, Cengiz Özek; the second was shot in Eskisehir, the supposed 'birthplace' of Hodja Nasreddin where the team discovered statues in the local park depicting some of the better known Nasrudin stories, plus a grave that has been ordained as his. This material appeared on ISF's YouTube channel, social media accounts, and website and links were sent to supporters of ISF via a newsletter. A final short film about Rumi and his message is to follow.

#### Dib Dib Competition

In October ISF staged an art competition to coincide with Halloween. Children were invited to draw or paint their own Horrible Dib Dibs, these being the phantoms of people's imaginations which feature in one of ISF's illustrated children's books. Hundreds of entries were submitted by kids around the world, including Japan, India, Kenya and the USA. Prizes including hardback copies of Idries Shah's *The Horrible Dib Dib* and sets of colouring pens and Altair Design colouring books were awarded to six winners. Many of the wonderful drawings featured on ISF's social media accounts and on the website, thereby promoting the children's books collection.

#### UNESCO Partnership

Following the successful ISF/UNESCO webinar on the 'Power of Stories' in December 2021, ISF and UNESCO's Social and Human Sciences Sector collaborated on a pamphlet drawing from the webinar's content. This is now being published and circulated to schools around the world. The pamphlet includes references to Idries Shah teaching-stories and their power to help people become better balanced individuals.

## **GOVERNANCE**

### **Extension of CEO's Contract**

The employment contract with CEO Tarquin Hall was extended by the board for a year to the end of 2023. Trustee Asya Verzhbinsky recused herself from any discussion of the terms so as to avoid, as a related party, a conflict of interest over the decision.

Tarquin has continued as the only employee of the charity, fulfilling the roles of director of operations, administrator, bookkeeper, publisher, commissioner of content, liaison and manager of the charity's freelance consultants, director of website and social media content, public relations manager, occasional videographer-producer-editor and investment property manager. He has also explored new publishing, distribution and marketing opportunities; worked diligently as a liaison to the charity's main donors; supported the board as it seeks to expand its members and broaden its skillset; continued to chart a fiscally responsible and accountable course for ISF; sought expert advice where needed; and striven, along with Saira Shah and the board to ensure that the charity remains true to Idries Shah's legacy.

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **PLANS FOR THE FUTURE**

In May 2023, the board met with the CEO to consider the CEO's long-term plan and budget for the charity. This made clear the extremely welcome news that ISF is in a strong position to achieve its core mission in guaranteeing Idries Shah's full, unedited works remain freely available to the public for the full terms of the license agreement and that all ISF editions remain for sale online for the full term of the license agreement. Responsible management of its assets would also further ensure the books continue to be actively promoted online, with the charity's restricted funds utilised for the charitable distribution of titles where they are most needed.

The CEO's report also made clear, however, that ISF's financial position would not allow for cultural activities without a significant fundraising programme. Furthermore, during the period of consultation leading up to May, many of ISF's major stakeholders had articulated a general feeling that engaging with the world of public debate might risk distorting Idries Shah's message, and that the remainder of ICR's endowment, made to the charity in 2013, should be used to safeguard ISF's core mission of publishing and distribution.

For a small charity, ISF remains in an enviable position — able to carry out its core mission with the remaining endowment from ICR, while remaining open to donations and charitable partnerships for special projects.

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **FINANCIAL REVIEW**

##### **Investments**

The board monitors the income being generated and the capital value of its investments on a regular basis.

##### Property Investments:

- The Foundation has one remaining property

##### Fixed Asset Investments:

- The Foundation's stock market portfolio remains, as outlined in the last annual report, diversified across three kinds of listed investments. Overall, the portfolio has performed well
- The value of the investment portfolio:
  - as at 31 March 2023 = £436,019 (2022: £469,026)
- The Foundation's policy regarding property and fixed asset investments remains under review.

##### **Total Income**

Income from all sources (donations & legacies, book sales, property income, and investment funds' income) totalled £101,526 (2022: £112,820).

Property income totalled £29,152 (2022: £21,670).

Income from books sales decreased by around a third £17,303 (2022: £28,509).

Unrestricted donations totalled: £44,831 (2022: £48,925) and no restricted donations (2022: £3,613) were also generated for specific projects.

Investment fund income was up slightly from the previous year: £10,240 (2022: £10,103).

The board continues to focus on ways to increase the total income of the Foundation in the coming years to provide more resources to fulfil the charity's objectives.

##### **Resource Utilisation**

In progressing the charitable objectives and in fundraising, the Foundation has utilised resources of £241,597 (2022: £399,061).

After adjustment for the movement in the value of the investments, net expenditure totalled £181,924 (2022: £173,963).

##### **RESERVES**

The board recognises the need to maintain a reserve sufficient to ensure that the Foundation is able to meet all on-going commitments.

The balance sheet, remains strong with net assets at 31 March 2023 of £1.11m (2022: £1.29 million; 2021: £1.47 million).



## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **RISK POLICY**

The Trustees have assessed the major financial and operational risks to which the charity is exposed. In doing so the Board have adopted the following policies for key areas: -

- Budgets are set in respect of each charitable activity allowing the Board to monitor the actual results in comparison with expectations.
- The stock market portfolio, which is designed to generate income and capital growth whilst spreading risk with regard to the capital value, is monitored regularly.
- In respect of the property investment programme a regular review is maintained to monitor relevant legislation (both national and local) and the property market generally to ensure that the impact of any potential adverse changes is minimised.
- The Board obtains appropriate professional advice prior to any transactions concerning acquisition or disposal of investment property.
- A maintenance programme is established to ensure that the property and contents are kept in good order.

Appropriate insurance cover is obtained for the Foundation's activities inclusive of cover for the investment property and contents.

The Board recognise that, in working to publish and distribute books as widely as possible, the Foundation must seek the provision of services from sub-contractors who may be outside of the UK and other industrialised nations.

By necessity, some of the providers of services may be in areas that are not readily accessible by the Foundation.

To ensure that charitable funds are only used in support of the charitable objects the Board would:

- Appoint to the management committee those who are known to have experience and knowledge of the publishing, distribution and print (both in hard and electronic copy) and of the geographical areas / societies that the charity is looking to reach out to.
- Where the use of suppliers of goods and services local to the geographical area of interest is necessary for the delivery of the charitable objectives, the management committee will seek (wherever possible) those with a proven track record in their field and will: -
  1. Agree objectives and costs beforehand.
  2. Establish a method whereby the local agent regularly reports on activity and achievements.

## **THE IDRIES SHAH FOUNDATION**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The organisation is a Charitable Company Limited by Guarantee, incorporated on 29th August 2012 and registered as a charity on 18th February 2013.

The charitable company is governed under its Articles of Association that sets out the objects and powers of the company.

#### **Board of trustees**

The Trustees, who are also the Directors for the purpose of company law, and who have served during the accounting period are:

|                      |                           |
|----------------------|---------------------------|
| Clare Maxwell-Hudson |                           |
| Asya Verzhbinsky     | Resigned 19 April 2023    |
| Elizabeth Dilly      |                           |
| Daniel Whitaker      | Appointed 1 February 2023 |

No Trustees have any beneficial interest in the company. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of winding up. The number of Trustees shall not be less than three.

The Trustees may appoint a person who is willing to act as a Trustee either to fill a casual vacancy or as an additional member of the board.

New Trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective administration of the Charity and the delivery of the charitable objectives.

New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the charity commission on public benefit, the contents of the governing document, the decision making process, the business plans and the recent financial performance of the Charity.

The Trustees are covered by trustees' indemnity insurance.



## THE IDRIES SHAH FOUNDATION

### TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### Professional advisers

##### Accountancy

AC Mole, was formally appointed by the board on 2 April 2020 to be ISF's accountants. AC Mole has extensive experience assisting charities.

##### Legal

ISF's legal advisers are Stone King, recognised as one of the leading law firms for charities in the UK.

#### Management

##### Board of trustees

The board directs, within a strategic plan, the overall financial and operational strategy of the Foundation and monitors progress accordingly.

The board meets formally twice a year. Virtual meetings of the board are also held on a regular basis and as necessary with the appointed project management committee members; along with regular email exchanges.

##### Policy documents

The Foundation has policy and management documents that, subsequent to the year ending 31 March 2021, have been reviewed, updated and extended, and now comprise:

- |                                 |   |
|---------------------------------|---|
| 1. Trustees' Code of Conduct    | 11. Reserves Policy   |
| 2. Conflict of Interest Policy  | 12. Social Media Policy   |
| 3. Risk Policy                  | 13. Fundraising Policy  |
| 4. Investment Policy            | • Expense Claim Form  |
| 5. Related Parties Register     | • Declaration of Interests, and Related Party Transactions Form |
| 6. Expenses Policy              | • Register of Trustees' Interests                               |
| 7. Purchasing & Payments Policy | • Risk Register   |
| 8. GDPR Policy                  |   |
| 9. Board skills analysis        |   |
| 10. Policy Review schedule      |   |

## THE IDRIES SHAH FOUNDATION

### TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The trustees (who are also directors of The Idries Shah Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

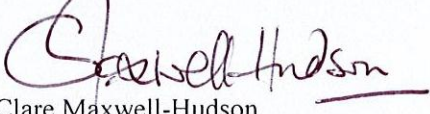
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant examination information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant examination information and to establish that the independent examiner is aware of that information.

The Trustees' report was approved by the board of trustees.

  
Clare Maxwell-Hudson  
Trustee

On behalf of the board

Dated: 19 December 2023

## THE IDRIES SHAH FOUNDATION

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE IDRIES SHAH FOUNDATION

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2023, which are set out on pages 13 to 31.

#### Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's report

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

*Alexandra Shore*

Alexandra Shore FCA CTA DChA  
A C Mole  
Stafford House  
Blackbrook Park Avenue  
Taunton  
Somerset  
TA1 2PX

*20<sup>th</sup> December*.....2023

**THE IDRIES SHAH FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2023**

|                                  | Notes | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|----------------------------------|-------|------------------------------------|----------------------------------|--------------------|--------------------|
| <b>Income from:-</b>             |       |                                    |                                  |                    |                    |
| Donations and legacies           | 2     | 44,831                             | -                                | 44,831             | 52,538             |
| Charitable activities            | 3     | 15,966                             | 1,337                            | 17,303             | 28,509             |
| Investments                      | 4     | 39,392                             | -                                | 39,392             | 31,773             |
| <b>Total income</b>              |       | <b>100,189</b>                     | <b>1,337</b>                     | <b>101,526</b>     | <b>112,820</b>     |
| <b>Expenditure on:-</b>          |       |                                    |                                  |                    |                    |
| Raising funds                    | 5     | 43,997                             | -                                | 43,997             | 35,600             |
| Charitable activities            | 6     | 197,600                            | -                                | 197,600            | 363,461            |
| <b>Total expenditure</b>         |       | <b>241,597</b>                     | <b>-</b>                         | <b>241,597</b>     | <b>399,061</b>     |
| Net (loss)/gains on investments  | 11    | (41,853)                           | -                                | (41,853)           | 112,278            |
| <b>Net (expenditure)/income</b>  |       | <b>(183,261)</b>                   | <b>1,337</b>                     | <b>(181,924)</b>   | <b>(173,963)</b>   |
| Transfers between funds          |       | -                                  | -                                | -                  | -                  |
| <b>Net movement in funds</b>     |       | <b>(183,261)</b>                   | <b>1,337</b>                     | <b>(181,924)</b>   | <b>(173,963)</b>   |
| Fund balances at 1 April         |       | 1,280,115                          | 19,181                           | 1,299,296          | 1,473,259          |
| <b>Fund balances at 31 March</b> |       | <b>1,096,854</b>                   | <b>20,518</b>                    | <b>1,117,372</b>   | <b>1,299,296</b>   |

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.

The notes on pages 15 to 31 form part of these financial statements



**THE IDRIES SHAH FOUNDATION**  
**BALANCE SHEET AS AT 31 MARCH 2023**  
**COMPANY REGISTRATION NUMBER: 08193475**

|   | Notes | 2023<br>£ | 2022<br>£ |
|---|-------|-----------|-----------|
| <b>Fixed assets</b>                                   |       |           |           |
| Intangible assets                                     | 13    | 4,783     | 5,549     |
| Tangible assets                                       | 14    | 5,546     | 5,325     |
| Investment properties                                 | 15    | 575,000   | 575,000   |
| Fixed asset investments                               | 16    | 436,019   | 469,026   |
|   |       | <hr/>     | <hr/>     |
|   |       | 1,021,348 | 1,054,900 |
| <b>Current assets</b>                                 |       |           |           |
| Stock   |       | 52,025    | 52,025    |
| Debtors   | 17    | 1,509     | 3,471     |
| Cash at bank and in hand                              |       | 76,110    | 227,010   |
|   |       | <hr/>     | <hr/>     |
|   |       | 129,644   | 282,506   |
| <b>Creditors: amounts falling due within one year</b> | 18    | (33,620)  | (38,110)  |
| <b>Net current assets</b>                             |       | 96,024    | 244,396   |
|   |       | <hr/>     | <hr/>     |
|   |       | 1,117,372 | 1,299,296 |
| <b>The funds of the charity</b>                       |       |           |           |
| Restricted funds                                      | 19    | 20,518    | 19,181    |
| Unrestricted funds                                    | 19    | 1,096,854 | 1,280,115 |
|   |       | <hr/>     | <hr/>     |
|   |       | 1,117,372 | 1,299,296 |
|   |       | <hr/>     | <hr/>     |

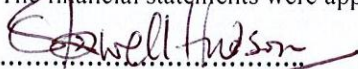
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its income and expenditure, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions of part of the Companies Act relating to the small companies regime.

The financial statements were approved by the Trustees on 19 December 2023



Clare Maxwell-Hudson  
Trustee

The notes on pages 15 to 31 form part of these financial statements.

## THE IDRIES SHAH FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies

##### **Company information**

The Idries Shah Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 8 Belmont Lansdown, Bath, BA1 5DZ.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (issued October 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Idries Shah Foundation meets the definition of a public benefit entity under FRS102.

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 with items recognised at cost or transaction value unless stated otherwise within these notes.

#### 1.2 Going concern

At the time of approving the accounts, 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 accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 note 19 to the accounts.

#### 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 on receipt.

Legacies are recognised on receipt or otherwise if the Charity has been notified by the executor of an impending distribution, the amount is known, and receipt is probable. If the criteria for income recognition is not met, then the legacy is treated as a contingent asset and disclosed if material.

Income from the sale of books (in hard copy and in audio or in electronic form) including where sales transactions are conducted through an online retailer, are recognised as the net sale proceeds or royalties are received and are net of VAT.

Income from investments is recognised when receivable.

## THE IDRIES SHAH FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies (continued)

##### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

Raising funds comprises all costs associated with generating additional funds for the Charity through fundraising and investment activities.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the assurance fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

##### 1.6 Stock

The value of stock is estimated based on applying a discount to the known sales price. Stock is valued at the lower of cost and net realisable value. Stocks may be held for sale or to be provided as part of a charitable activity either free or at a subsidised cost.

##### 1.7 Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are recognised at cost less any accumulated amortisation and any impairment losses. Intangible assets are being amortised over the estimated useful economic life of ten years.

##### 1.8 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:-

|                                  |                      |
|----------------------------------|----------------------|
| Fixtures, fittings and equipment | 30% reducing balance |
| Computers                        | 30% reducing balance |

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.

##### 1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible 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).

## THE IDRIES SHAH FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting Policies (continued)

##### 1.10 Fixed Assets Investments

###### **Investment properties**

Investment properties are initially recognised at cost and subsequently measured at fair value. The properties were valued as at 31 March 2023 on an open market basis by the Trustees. Changes in their value are recognised in the Statement of Financial Activities for the year.

###### **Listed Investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value at the balance sheet date using the quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the period.

###### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

##### 1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to cash with insignificant risk of change in value.

##### 1.12 Financial instruments

The Charity only has financial assets and liabilities that qualify as basic financial instruments including debtors and cash and bank balances, trade and other payables and investments. Basic financial instruments are initially measured at transaction price and are subsequently at amortised cost with the exception of investments that are measured at their fair value.

##### 1.13 Operating lease agreements

Rentals applicable to operating leases were substantially all of the benefits and risks of ownership remain with the lessor are changed against income on a straight-line basis over the period of the lease.

##### 1.14 Critical accounting judgements on estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions or other factors. The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be exactly the same as related actual results. The estimates, assumptions and management judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

###### **Estimation of fair value of investment properties**

The fair value of investment properties was determined by review carried out by the Trustees. The Trustees consulted with property professionals to ascertain the likely value that the property may obtain if marketed at the balance sheet date. There is a risk that the actual value obtained in the event of a sale could differ from these estimates.



**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**2. Donations and legacies**

|                     | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ |
|---------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Donations and gifts | 44,831                     | -                        | 44,831             | 48,925                     | 3,613                    | 52,538             |
|                     | <u>          </u>          | <u>          </u>        | <u>          </u>  | <u>          </u>          | <u>          </u>        | <u>          </u>  |

**3. Charitable activities**

|                | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ |
|----------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Sales of books | 15,966                     | 1,337                    | 17,303             | 23,283                     | 5,226                    | 28,509             |
|                | <u>          </u>          | <u>          </u>        | <u>          </u>  | <u>          </u>          | <u>          </u>        | <u>          </u>  |

**4. Investments**

|                                | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ |
|--------------------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Income from listed investments | 10,240                     | -                        | 10,240             | 10,103                     | -                        | 10,103             |
| Property income                | 29,152                     | -                        | 29,152             | 21,670                     | -                        | 21,670             |
|                                | <u>          </u>          | <u>          </u>        | <u>          </u>  | <u>          </u>          | <u>          </u>        | <u>          </u>  |
|                                | 39,392                     | -                        | 39,392             | 31,773                     | -                        | 31,773             |
|                                | <u>          </u>          | <u>          </u>        | <u>          </u>  | <u>          </u>          | <u>          </u>        | <u>          </u>  |

**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**5. Raising funds**

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2022<br>£ |
|--|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| <b>Fundraising and publicity</b>                 |                            |                          |                    |                            |                          |                    |
| Staging fundraising events                       | 1,430                      | -                        | 1,430              | 98                         | -                        | 98                 |
| Advertising and promotion                        | 688                        | -                        | 688                | 1,934                      | -                        | 1,934              |
| Investment management fees                       | 1,393                      | -                        | 1,393              | 1,362                      | -                        | 1,362              |
|  | <u>3,511</u>               | <u>-</u>                 | <u>3,511</u>       | <u>3,394</u>               | <u>-</u>                 | <u>3,394</u>       |
| <b>Cost of maintaining investment properties</b> |                            |                          |                    |                            |                          |                    |
| Investment property overheads                    | 16,629                     | -                        | 16,629             | 16,895                     | -                        | 16,895             |
| Depreciation and impairment                      | 554                        | -                        | 554                | 636                        | -                        | 636                |
| Support governance costs (Note 7)                | 23,303                     | -                        | 23,303             | 14,675                     | -                        | 14,675             |
|  | <u>40,486</u>              | <u>-</u>                 | <u>40,486</u>      | <u>32,206</u>              | <u>-</u>                 | <u>32,206</u>      |
| <b>Total</b>                                     | <u>43,997</u>              | <u>-</u>                 | <u>43,997</u>      | <u>35,600</u>              | <u>-</u>                 | <u>35,600</u>      |

**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**6. Charitable activities**

|  | Website and<br>social media<br>operating<br>Costs<br>£ | Middle East<br>Language<br>Translation<br>and<br>publishing<br>Costs<br>£ | English, Spanish<br>and other<br>Languages<br>Publishing<br>Translation &<br>Distribution Costs<br>£ | General<br>Education<br>Activities<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--|--|---|--|---|--------------------|--------------------|
| Opening stock  | -  | -   | 52,025   | -                                       | 52,025             | 56,527             |
| Translation, editing design, production & publishing | -  | 4,880   | 15,183   | -                                       | 20,063             | 47,807             |
| Social media costs                                   | 15,592   | -   | -  | -                                       | 15,592             | 44,056             |
| Distribution   | -  | 6,285   | 7,720  | -                                       | 14,005             | 23,343             |
| Design   | -  | -   | 301  | -                                       | 301                | 4,101              |
| Project management costs                             | -  | 18,000  | 2,258  | -                                       | 20,258             | 51,232             |
| Visibility awards                                    | 407  | -   | -  | -                                       | 407                | 105                |
| UNESCO story competition                             | -  | -   | -  | -                                       | -                  | 4,422              |
| Web design and maintenance                           | 22,316   | -   | -  | -                                       | 22,316             | 18,623             |
| Royalties  | -  | -   | -  | -                                       | -                  | 15,446             |
| Closing stock  | -  | -   | (52,025)   | -                                       | (52,025)           | (52,025)           |
|  | <u>38,315</u>  | <u>29,165</u>   | <u>25,462</u>  | <u>-</u>                                | <u>92,942</u>      | <u>213,637</u>     |
| Share of support costs (Note 7)                      | 9,521  | 7,248   | 6,328  | -                                       | 23,097             | 23,191             |
| Share of governance costs (Note 7)                   | 33,623   | 25,594  | 22,344   | -                                       | 81,561             | 126,633            |
|  | <u>81,459</u>  | <u>62,007</u>   | <u>54,134</u>  | <u>-</u>                                | <u>197,600</u>     | <u>363,461</u>     |

**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**6. Charitable activities (continued)**

|  | Website and<br>social media<br>operating<br>Costs<br>£ | Middle East<br>Language<br>Translation<br>and<br>publishing<br>Costs<br>£ | English, Spanish<br>and other<br>Languages<br>Publishing<br>Translation &<br>Distribution Costs<br>£ | General<br>Education<br>Activities<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--|--|---|--|---|--------------------|--------------------|
| <b>Analysis by fund for the year ended 31 March 2023</b> |  |   |  |   |                    |                    |
| Unrestricted fund – general                              | 81,459   | 62,007  | 54,134   | -                                       | 197,600            | 358,378            |
| Designated – ISF Visibility                              | -  | -   | -  | -                                       | -                  | -                  |
| Restricted funds   | -  | -   | -  | -                                       | -                  | 5,083              |
|  | <u>81,459</u>  | <u>62,007</u>   | <u>54,134</u>  | <u>-</u>                                | <u>197,600</u>     | <u>363,461</u>     |
| <b>For the year ended 31 March 2022</b>                  |  |   |  |   |                    |                    |
| Unrestricted funds- general                              | 105,798  | 82,907  | 162,031  | 7,642                                   |                    | 358,378            |
| Designated – ISF Visibility                              | -  | -   | -  | -                                       |                    | -                  |
| Restricted funds   | -  | -   | 5,083  | -                                       |                    | 5,083              |
|  | <u>105,798</u>   | <u>82,907</u>   | <u>167,114</u>   | <u>7,642</u>                            |                    | <u>363,461</u>     |

# THE IDRIES SHAH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 7. Support costs

|                                  | Support costs | Governance costs | 2023           | 2022           | Basis of allocation |
|----------------------------------|---------------|------------------|----------------|----------------|---------------------|
|                                  | £             | £                | £              | £              |                     |
| Amortisation                     | 766           | -                | 766            | 766            | Resources expended  |
| Depreciation                     | 1,506         | -                | 1,506          | 1,407          | Resources expended  |
| Bank charges                     | 1,499         | -                | 1,499          | 1,524          | Resources expended  |
| Exchange differences             | (367)         | -                | (367)          | 199            | Resources expended  |
| General office costs             | 10,463        | -                | 10,463         | 7,021          | Resources expended  |
| Insurance                        | 1,268         | -                | 1,268          | 1,321          | Resources expended  |
| Irrecoverable VAT                | -             | -                | -              | 1,822          | Resources expended  |
| Travel and subsistence           | 2,410         | -                | 2,410          | 1,129          | Resources expended  |
| Rent                             | 9,665         | -                | 9,665          | 9,485          | Resources expended  |
| Repairs and maintenance          | 1,030         | -                | 1,030          | 788            | Resources expended  |
| Accountancy                      | -             | 8,286            | 8,286          | 13,048         | Governance          |
| Other professional services      | -             | 20,227           | 20,227         | 54,374         | Governance          |
| Trustee expenses                 | -             | 192              | 192            | 36             | Governance          |
| Staff costs                      | -             | 70,540           | 70,540         | 71,004         | Governance          |
| Fines and penalties              | -             | -                | -              | 575            | Governance          |
| Loss on disposal of fixed assets | -             | 476              | 476            | -              | Governance          |
|                                  | <u>28,240</u> | <u>99,721</u>    | <u>127,961</u> | <u>164,499</u> |                     |
| Analysed between                 |               |                  |                |                |                     |
| Raising funds                    | 5,143         | 18,160           | 23,303         | 14,675         |                     |
| Charitable activities            | 23,097        | 81,561           | 104,658        | 149,824        |                     |
|                                  | <u>28,240</u> | <u>99,721</u>    | <u>127,961</u> | <u>164,499</u> |                     |

The Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible support costs are allocated directly to the relevant charitable activity. Governance costs are allocated on the basis of the ratio of resources expended between the charitable activities.

## THE IDRIES SHAH FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

#### 8. Independent Examination Remuneration

|                             | 2023   | 2022   |
|-----------------------------|--------|--------|
|                             | £      | £      |
| Independent examination fee | 2,760  | 7,224  |
| Accountancy services        | 5,181  | 5,824  |
| Bookkeeping                 | 2,422  | 6,425  |
| Governance                  | 2,552  | 7,578  |
|                             | <hr/>  | <hr/>  |
|                             | 12,915 | 27,051 |
|                             | <hr/>  | <hr/>  |

#### 9. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2022: none).

None (2022: one) of the Trustees were reimbursed expenses of £Nil (2022: £276) relating to travel costs and postage expenses.

No donations were received from the Trustees during the year (2022: none).

#### 10. Wages and Salaries

|                              | 2023   | 2022   |
|------------------------------|--------|--------|
|                              | £      | £      |
| Gross wages                  | 65,000 | 65,000 |
| Employers National Insurance | 3,122  | 3,748  |
| Pension                      | 2,418  | 2,256  |
|                              | <hr/>  | <hr/>  |
|                              | 70,540 | 71,004 |
|                              | <hr/>  | <hr/>  |

One (2022: one) employee was paid over £60,000.

The average monthly number of employees during the year was 1 (2022: 1).

The key management personnel are identified as the Chief Executive Officer. The total employee benefits, inclusive of pension and social security costs, of the key management personnel of the charity were £70,540 (2022: £71,004).

# THE IDRIES SHAH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 11. Net (losses)/gains on investments

|   | 2023            | 2022           |
|---|-----------------|----------------|
|   | £               | £              |
| Revaluation of stock market investments | (41,853)        | 37,278         |
| Revaluation of investment properties    | -               | 75,000         |
|   | <u>(41,853)</u> | <u>112,278</u> |

### 12. Taxation

The Charity is recognised by HM Revenue & Customs and therefore benefits from certain exemptions from taxation on income and gains, to the extent they are applied for charitable purposes.

### 13. Intangible fixed assets

|                                  | Website      | Total        |
|----------------------------------|--------------|--------------|
|                                  | £            | £            |
| <b>Cost</b>                      |              |              |
| At 1 April 2022                  | 7,655        | 7,655        |
|                                  | <u>7,655</u> | <u>7,655</u> |
| At 31 March 2023                 | 7,655        | 7,655        |
|                                  | <u>7,655</u> | <u>7,655</u> |
| <b>Amortisation</b>              |              |              |
| At 1 April 2022                  | 2,106        | 2,106        |
| Amortisation charged in the year | 766          | 766          |
|                                  | <u>2,872</u> | <u>2,872</u> |
| At 31 March 2023                 | 2,872        | 2,872        |
|                                  | <u>2,872</u> | <u>2,872</u> |
| <b>Carrying amount</b>           |              |              |
| At 31 March 2023                 | 4,783        | 4,783        |
|                                  | <u>4,783</u> | <u>4,783</u> |
| At 31 March 2022                 | 5,549        | 5,549        |
|                                  | <u>5,549</u> | <u>5,549</u> |

# THE IDRIES SHAH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 14. Tangible fixed assets

|                                  | Fixtures<br>Fittings &<br>Equipment<br>£ | Computers<br>£ | Total<br>£ |
|----------------------------------|--|----------------|------------|
| <b>Cost</b>                      |  |                |            |
| At 1 April 2022                  | 19,550                                   | 7,124          | 26,674     |
| Additions                        | 240                                      | 2,603          | 2,843      |
| Disposals                        | -  | (1,875)        | (1,875)    |
|                                  | <hr/>                                    | <hr/>          | <hr/>      |
| At 31 March 2023                 | 19,790                                   | 7,852          | 27,642     |
| <b>Depreciation</b>              |  |                |            |
| At 1 April 2022                  | 17,867                                   | 3,482          | 21,349     |
| Depreciation charged in the year | 554                                      | 1,506          | 2,060      |
| Eliminated on disposal           | -  | (1,313)        | (1,313)    |
|                                  | <hr/>                                    | <hr/>          | <hr/>      |
| At 31 March 2023                 | 18,421                                   | 3,675          | 22,096     |
| <b>Carrying amount</b>           |  |                |            |
| At 31 March 2023                 | 1,369                                    | 4,177          | 5,546      |
|                                  | <hr/>                                    | <hr/>          | <hr/>      |
| At 31 March 2022                 | 1,683                                    | 3,642          | 5,325      |
|                                  | <hr/>                                    | <hr/>          | <hr/>      |

### 15. Investment property

|                   | £       |
|-------------------|---------|
| <b>Fair value</b> |         |
| At 1 April 2022   | 575,000 |
| Revaluation       | -       |
|                   | <hr/>   |
| At 31 March 2023  | 575,000 |
|                   | <hr/>   |

The fair value of the investment properties is based on a review carried out by the Trustees and the Chief Executive. In doing so Management consulted with property professionals to ascertain the likely value that the property may obtain if marketed at the Balance Sheet date. The property is held on a long lease.

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

|      | 2023<br>£ | 2022<br>£ |
|------|-----------|-----------|
| Cost | 550,512   | 550,512   |
|      | <hr/>     | <hr/>     |
|      | 550,512   | 550,512   |
|      | <hr/>     | <hr/>     |



**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**16. Fixed assets investments**

|                          | <b>2023</b> | <b>2022</b> |
|--------------------------|-------------|-------------|
|                          | <b>£</b>    | <b>£</b>    |
| Listed investments       | 343,813     | 385,667     |
| Cash or cash equivalents | 92,206      | 83,359      |
|                          | <hr/>       | <hr/>       |
|                          | 436,019     | 469,026     |
|                          | <hr/>       | <hr/>       |

**Fixed asset investments revalued**

The Charity holds investments listed on a recognised stock exchange. The value of the investments are provided by the fund managers and are based on the quoted market price.

**Movements in fixed asset investments**

|                                   | <b>Total<br/>2023</b> | <b>Total<br/>2022</b> |
|-----------------------------------|-----------------------|-----------------------|
|                                   | <b>£</b>              | <b>£</b>              |
| Market value at 1 April           | 385,667               | 348,389               |
| Net (loss)/gain on revaluation    | (41,854)              | 37,278                |
|                                   | <hr/>                 | <hr/>                 |
| Market value 31 March             | 343,813               | 385,667               |
| Cash held in investment portfolio | 92,206                | 83,359                |
|                                   | <hr/>                 | <hr/>                 |
|                                   | 436,019               | 469,026               |
|                                   | <hr/>                 | <hr/>                 |

**17. Debtors**

|                                | <b>2023</b> | <b>2022</b> |
|--------------------------------|-------------|-------------|
|                                | <b>£</b>    | <b>£</b>    |
| Prepayments and accrued income | 1,509       | 1,240       |
| Other debtor                   | -           | 2,231       |
|                                | <hr/>       | <hr/>       |
|                                | 1,509       | 3,471       |
|                                | <hr/>       | <hr/>       |

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

|                                    | <b>2023</b> | <b>2022</b> |
|------------------------------------|-------------|-------------|
|                                    | <b>£</b>    | <b>£</b>    |
| Other taxation and social security | 11,268      | 8,108       |
| Other creditors                    | 7,166       | 6,275       |
| Accruals                           | 15,186      | 23,727      |
|                                    | <hr/>       | <hr/>       |
|                                    | 33,620      | 38,110      |
|                                    | <hr/>       | <hr/>       |

## **THE IDRIES SHAH FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **19. Statement of funds**

The Board wish to express their appreciation of the continued support given to the Foundation by the Nightingale Family Foundation (NFF) for the ISF English Language Project. This project focuses on the distribution of many of the works of Idries Shah to the English speaking world via a combination of traditional and evolving media.

Equally welcome is the support given by the NFF to the Spanish Language Project, the Children's Books for Afghanistan and Chinese Language Project; all projects are reported as restricted funds of the Charity.

The Spanish Language Project, following the English Language Project, distributes the works of Idries Shah to the Spanish speaking world, again using a combination of traditional and evolving media.

The Books for Afghan Children Project (formerly The Children's Books for Afghanistan Project) looks to provide illustrated books to Afghan children. English-language and other European editions of these books are being printed and sold to raise funds to provide Afghan versions of the same books to the children.

The Limited and Special Editions Project is an initiative to produce quality copies of selected works of Idries Shah. The Board have directed that all sale proceeds from these limited and special editions shall be used to assist in the funding of the Books for Afghan Children Project.

The Chinese Language Project is an initiative to explore the feasibility of producing and distributing copies of the works of Idries Shah in the Mandarin Chinese.

The General Visibility Fund is an initiative to increase ISF's public profile through two sub-projects, namely the ISF Awards and Hand-printed Stories. This remaining funds on this project were reallocated to unrestricted funds in the year.

Access Books, a US charity, provides quality books to public schools and community libraries where the majority of students live at or below the poverty line. A donation from a private US family foundation made possible ISF's donation of 1,000 hardback illustrated children's books to schools and libraries in Compton, Los Angeles supported by Access Books. ISF looks forward to future collaborations and thanks Access Books for the opportunity to work with them.

**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**19. Statement of funds – (continued)**

|                                   | Balance at<br>1 April 2022 | Income         | Expenditure      | (Loss)/Gain<br>on<br>Investments | Transfers | Balance<br>31 March<br>2023 |
|-----------------------------------|----------------------------|----------------|------------------|----------------------------------|-----------|-----------------------------|
|                                   | £                          | £              | £                | £                                | £         | £                           |
| <b>Unrestricted funds</b>         |                            |                |                  |                                  |           |                             |
| General fund                      | 1,280,115                  | 100,189        | (241,597)        | (41,853)                         | -         | 1,096,854                   |
| <b>Designated</b>                 |                            |                |                  |                                  |           |                             |
| ISF General Visibility Fund       | -                          | -              | -                | -                                | -         | -                           |
| <b>Total Unrestricted funds</b>   | <b>1,280,115</b>           | <b>100,189</b> | <b>(241,597)</b> | <b>(41,853)</b>                  | <b>-</b>  | <b>1,096,854</b>            |
| <b>Restricted funds</b>           |                            |                |                  |                                  |           |                             |
| Books for Afghan Children Project | 15,111                     | 1,337          | -                | -                                | -         | 16,448                      |
| Spanish Language Project          | 4,070                      | -              | -                | -                                | -         | 4,070                       |
| <b>Total Restricted funds</b>     | <b>19,181</b>              | <b>1,337</b>   | <b>-</b>         | <b>-</b>                         | <b>-</b>  | <b>20,518</b>               |
| <b>Total Funds</b>                | <b>1,299,296</b>           | <b>101,526</b> | <b>(241,597)</b> | <b>(41,853)</b>                  | <b>-</b>  | <b>1,117,372</b>            |

# THE IDRIES SHAH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 19. Statement of funds – (continued)

#### Prior Period statement of funds

|                                      | Balance at 1<br>April 2021 | Income         | Expenditure      | Gain on Transfers<br>Investments |                | Balance<br>31 March<br>2022 |
|--------------------------------------|----------------------------|----------------|------------------|----------------------------------|----------------|-----------------------------|
|                                      | £                          | £              | £                | £                                | £              | £                           |
| <b>Unrestricted funds</b>            |                            |                |                  |                                  |                |                             |
| General funds                        | 1,446,978                  | 103,981        | (393,978)        | 112,278                          | 10,856         | 1,280,115                   |
| <b>Designated</b>                    |                            |                |                  |                                  |                |                             |
| ISF General Visibility Fund          | 12,057                     | -              | -                | -                                | (12,057)       | -                           |
| <b>Total Unrestricted funds</b>      | <b>1,459,035</b>           | <b>103,981</b> | <b>(393,978)</b> | <b>112,278</b>                   | <b>(1,201)</b> | <b>1,280,115</b>            |
| <b>Restricted funds</b>              |                            |                |                  |                                  |                |                             |
| Books for Afghan<br>Children Project | 10,154                     | 5,256          | (299)            | -                                | -              | 15,111                      |
| The Chinese Language<br>Project      | 4,070                      | -              | -                | -                                | (4,070)        | -                           |
| Access Books Distribution            | -                          | 3,583          | (4,784)          | -                                | 1,201          | -                           |
| Spanish Language Project             | -                          | -              | -                | -                                | 4,070          | 4,070                       |
| <b>Total Restricted funds</b>        | <b>14,224</b>              | <b>8,839</b>   | <b>(5,083)</b>   | <b>-</b>                         | <b>1,201</b>   | <b>19,181</b>               |
| <b>Total Funds</b>                   | <b>1,473,259</b>           | <b>112,820</b> | <b>(399,061)</b> | <b>112,278</b>                   | <b>-</b>       | <b>1,299,296</b>            |

### 20. Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>£       |
|--|----------------------------|--------------------------|------------------|
| <b>Fund balances at 31 March 2023 are represented by:-</b> |                            |                          |                  |
| Intangible assets  | 4,783                      | -                        | 4,783            |
| Tangible assets  | 5,546                      | -                        | 5,546            |
| Investment properties                                      | 575,000                    | -                        | 575,000          |
| Stock market investments                                   | 436,019                    | -                        | 436,019          |
| Net current assets   | 75,506                     | 20,518                   | 96,024           |
|  | <b>1,096,854</b>           | <b>20,518</b>            | <b>1,117,372</b> |

# THE IDRIES SHAH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 20. Analysis of net assets between funds (continued)

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>£ |
|--|----------------------------|--------------------------|------------|
| <b>Fund balances at 31 March 2022 are represented by:-</b> |                            |                          |            |
| Intangible   | 5,549                      | -                        | 5,549      |
| Tangible assets  | 5,325                      | -                        | 5,325      |
| Investment properties                                      | 575,000                    | -                        | 575,000    |
| Stock market investments                                   | 469,026                    | -                        | 469,026    |
| Net current assets   | 225,215                    | 19,181                   | 244,396    |
|  | <hr/>                      | <hr/>                    | <hr/>      |
|  | 1,280,115                  | 19,181                   | 1,299,296  |
|  | <hr/>                      | <hr/>                    | <hr/>      |

### 21. Related Party Transactions

#### Transactions with related parties

During the year the Charity entered into the following transactions with related parties:-

Saira, Safia and Tahir Shah are the children of Idries Shah and are the Trustees and beneficiaries of the Idries Shah Estate. The Estate holds the worldwide Intellectual Property Rights of all of Idries Shah works.

These accounts include the fees for agreed Royalties and Licences granted by the Estate of £4,519 (2022: £15,446). At the year end a sum of £962 (2022: £8,282) in respect of Royalties was owed to the estate and is reflected within accruals in Note 18.

In recognising their appreciation, knowledge and understanding of the works of their father, and noting their collective skills and contacts, the Board have sought to retain the services of Saira, Safia and Tahir Shah for which each are remunerated.

For their services they were paid (collectively) £29,109 (2022: £91,450). This can be broken down individually as:

|            | 2023<br>£ | 2022<br>£ |
|------------|-----------|-----------|
| Tahir Shah | -         | 10,700    |
| Safia Shah | -         | 20,875    |
| Saira Shah | 29,109    | 30,622    |

In addition, Tahir Shah was reimbursed £Nil (2022 £10) for out-of-pocket expenses.

At the year end the following amounts were owed for their services:

|            | 2023<br>£ | 2022<br>£ |
|------------|-----------|-----------|
| Tahir Shah | -         | 317       |
| Safia Shah | -         | 2,500     |
| Saira Shah | 2,500     | -         |

**THE IDRIES SHAH FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

**22. Operating leases**

The following amounts were charged to the Statement of Financial Activities during the year:-

|                  | <b>2023</b> | <b>2022</b> |
|------------------|-------------|-------------|
|                  | <b>£</b>    | <b>£</b>    |
| Operating leases | 9,665       | 9,485       |

**23. Commitments**

At 31 March 2023 the Charity had total commitments under non-cancellable operating leases expiring as follows:-

|                            | <b>Land and Buildings</b> |             |
|----------------------------|---------------------------|-------------|
|                            | <b>2023</b>               | <b>2022</b> |
|                            | <b>£</b>                  | <b>£</b>    |
| Less than one year         | 2,433                     | 7,452       |
| Between two and five years | -                         | -           |
|                            | <hr/>                     | <hr/>       |
|                            | 2,433                     | 7,452       |
|                            | <hr/>                     | <hr/>       |