

The Habib University Trust

Year ended 31 March 2021

Annual Report and Financial Statements

Year ended 31 March 2021

England and Wales Registered Charity Number 1152151

The Habib University Trust

Year ended 31 March 2021

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The Habib University Trust

Year ended 31 March 2021

Registered charity name	The Habib University Trust
Charity registration number	1152151 Charity Commission England and Wales
Principal office	Habib House 42 Moorgate London EC2R 6JJ
Trustees	Charles Dorsey Mackay James Caan Iqbal Mohammed Kadwani Syed Kausar Kazmi Shahrukh Jumani Faheen Habib Ahsan Zahir Rizvi (resigned 7 December 2021)
Auditors	K K Associates Chartered Accountants and Registered Auditors 305 Crown House, Park Royal North Circular Road London NW10 7PN
Bankers	Habib Bank AG Zurich 142 Wigmore Street London W1U 3SH

THE HABIB UNIVERSITY TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

The trustees present their report and accounts for the year ended 31 March 2021. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and the Statement of Recommended practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard FRS 102 (Charities SORP FRS102) issued in 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The affairs of The Habib University Trust are governed by the Trust Deed dated 7 February 2013. The charity is managed by a board of trustees. In the year ended 31 March 2021, the following persons served as trustees:

Charles Dorsey Mackay
James Caan
Iqbal Mohammed Kadwani
Syed Kausar Kazmi
Shahrukh Jumani
Faheen Habib
Ahsan Zahir Rizvi (resigned 7 December 2021)

OBJECTIVES AND ACTIVITIES

The objectives of The Habib University Trust are to further such objects of Habib University Foundation (a Pakistani registered Charity) as are exclusively charitable according to English Law as the Trustees shall from time to time determine in consultation with the Pakistani Charity. No grant was received from any government organization.

FINANCIAL REVIEW

The donation receipts are expected to increase in the next year.

RISK MANAGEMENT

The charity takes robust steps to manage the risks involved in achieving of its aim and objectives. The Board of Trustees reviews significant risks, and makes sure that they are taking appropriate measures to manage and reduce their impact. Managers manage resources, monitor performance and have also established, and manage, an effective internal control environment. This is supported by systems, processes and procedures.

PUBLIC BENEFIT

The charity develops strategic plans to make certain that we provide maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2011.

THE HABIB UNIVERSITY TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2021

RESPONSIBILITIES OF THE TRUSTEES

The charity's trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Each of the persons who is trustee at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- They have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of the information.

K K Associates, Chartered Accountants and Registered Auditors, have been re-appointed as auditors for the ensuing year.

Habib House
42 Moorgate
London EC2R 6JJ
United Kingdom

Date: 21 January 2022

Signed on behalf of the trustees



Syed Kausar Kazmi
Trustee

Independent Auditor's Report to the Trustees of The Habib University Trust

Opinion

We have audited the financial statements of The Habib University Trust (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

[continued ...]

Independent Auditor's Report to the Trustees of The Habib University Trust

[continued ...]

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees annual report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity, which it has to comply with. Our audit tests included tests to check this compliance to the extent that we are expected to do so. In our risk assessment process detailed discussions and planning took place to ensure that our audit procedures are so designed that any material irregularity including fraud will be uncovered when we carry out our tests. Our meetings with the company's management included enquiries that were focused on detection of irregularities including fraud. Discussions included consideration of the risk of management override on controls and segregation of duties reviewed.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

[continued ...]

Independent Auditor's Report to the Trustees of The Habib University Trust

[continued ...]

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

K K Associates

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K K Associates, Statutory Auditor

**305 Crown House
North Circular Rad
Park Royal
London
NW10 7PN**

Date: 21 January 2022

THE HABIB UNIVERSITY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	2	-	303,749	303,749	-
Investments	3	-	6,738	6,738	15,374
TOTAL INCOME		<u>-</u>	<u>310,487</u>	<u>310,487</u>	<u>15,374</u>
EXPENDITURE ON:					
Raising funds		(216)	-	(216)	-
Charitable activities	5	(2,000)	-	(2,000)	(618,956)
TOTAL EXPENDITURE		<u>(2,216)</u>	<u>-</u>	<u>(2,216)</u>	<u>(618,956)</u>
NET INCOME/ (EXPENDITURE)		(2,216)	310,487	308,271	(603,582)
OTHER RECOGNISED GAINS/(LOSSES)	4	<u>-</u>	<u>(60,656)</u>	<u>(60,656)</u>	<u>47,599</u>
NET MOVEMENT IN FUNDS		(2,216)	249,831	247,615	(555,983)
RECONCILIATION OF FUNDS:					
Total funds brought forward		31,697	972,649	1,004,346	1,560,329
TOTAL FUNDS CARRIED FORWARD	8,9	<u>29,481</u>	<u>1,222,480</u>	<u>1,251,961</u>	<u>1,004,346</u>

The Statement of Financial Activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

The notes on pages 12 to 15 form part of these financial statements.

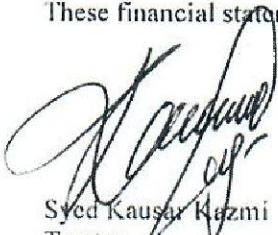
THE HABIB UNIVERSITY TRUST

BALANCE SHEET

31 MARCH 2021

	Note	2021 £	2020 £
CURRENT ASSETS			
Debtors	6	-	-
Cash at bank and in hand		1,256,361	1,006,746
		<u>1,256,361</u>	<u>1,006,746</u>
CREDITORS: Amounts falling due within one year	7	<u>(4,400)</u>	<u>(2,400)</u>
NET CURRENT ASSETS		1,251,961	1,004,346
TOTAL ASSETS LESS CURRENT LIABILITIES		1,251,961	1,004,346
TOTAL NET ASSETS	10	1,251,961	1,004,346
FUNDS OF THE CHARITY			
Restricted income funds	9	1,222,480	972,649
Unrestricted income funds	8	29,481	31,697
TOTAL CHARITY FUNDS	10	1,251,961	1,004,346

These financial statements were approved by the Board of Trustees and are signed on their behalf by:



Syed Kausar Kazmi
Trustee

Date: 21 January 2022

The notes on pages 12 to 15 form part of these financial statements.

THE HABIB UNIVERSITY TRUST

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	308,271	(603,582)
<i>Adjustments for:</i>		
Foreign currency (losses)/gains	(60,656)	47,599
Other interest receivable and similar income	(6,738)	(15,374)
<i>Changes in:</i>		
Trade and other debtors	-	-
Trade and other creditors	2,000	-
Cash generated from operations	242,877	(571,357)
Interest received	6,738	15,374
Net cash from operating activities	249,615	(555,983)
Net increase in cash and cash equivalents	249,615	(555,983)
Cash and cash equivalents at beginning of year	1,006,746	1,562,729
Cash and cash equivalents at end of year	1,256,361	1,006,746

The notes on pages 12 to 15 form part of these financial statements.

THE HABIB UNIVERSITY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland FRS102 issued in 2019, and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

a) Funds structure

The charity has restricted and unrestricted funds. Restricted funds are categorised as restricted based on the donors' restrictions on the projects for which they must be used.

b) Income recognition

All income is recognised once the charity has received the funds, except any Gift Aid receivable relating to the current year which was received after the year ended. The Trustees consider this to be the appropriate and prudent principle.

c) Expenditure recognition

Expenditure is recognised when the funds have been disbursed. The charity follows a strict evaluation and approval procedure for charitable expenditure and funds are disbursed immediately upon approval.

2. DONATION AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations				
Donations	-	303,749	303,749	-
Gift Aid	-	-	-	-
	<u>-</u>	<u>303,749</u>	<u>303,749</u>	<u>-</u>

	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
3. INVESTMENT INCOME			
Bank interest income	6,738	6,738	15,374
	<u>6,738</u>	<u>6,738</u>	<u>15,374</u>

THE HABIB UNIVERSITY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
4. OTHER RECOGNISED GAINS/(LOSSES)			
Foreign currency (losses)/gains	(60,656)	(60,656)	47,599
	<u>(60,656)</u>	<u>(60,656)</u>	<u>47,599</u>

This represents unrealised foreign currency (losses)/gains arising on restatement of bank account movements and balances denominated in US Dollars to UK Pounds sterling.

5. CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
Charitable expenditure in education sector	-	-	-	616,956
Governance costs – Audit fees	2,000	-	2,000	2,000
	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>618,956</u>

6. DEBTORS

	2021 £	2020 £
Gift Aid receivable	-	-
Other debtors	-	-
	<u>-</u>	<u>-</u>

7. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Accruals	4,400	2,400
	<u>4,400</u>	<u>2,400</u>

8. UNRESTRICTED INCOME FUNDS

	Balance at 31 Mar 2020 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2021 £
Unrestricted funds	31,697	-	(2,216)	29,481

THE HABIB UNIVERSITY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

9. RESTRICTED INCOME FUNDS

	Balance at 31 Mar 2021 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2021 £
Education	972,649	310,487	(60,656)	1,222,480

10. SUMMARY OF ASSETS AND LIABILITIES OF EACH CATEGORY OF FUNDS OF THE CHARITY

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Debtors	-	-	-
Cash at bank and in hand	33,881	1,222,480	1,256,361
Creditors (falling due within one year)	(4,400)	-	(4,400)
Net assets	29,481	1,222,480	1,251,961
Unrestricted funds	29,481	-	29,481
Restricted funds	-	1,222,480	1,222,480
Total charity funds	29,481	1,222,480	1,251,961
	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Debtors	-	-	-
Cash at bank and in hand	34,097	972,649	1,006,746
Creditors (falling due within one year)	(2,400)	-	(2,400)
Net assets	31,697	972,649	1,004,346
Unrestricted funds	31,697	-	31,697
Restricted funds	-	972,649	972,649
Total charity funds	31,697	972,649	1,004,346

- 11.** None of the Trustees have been paid any remuneration or received any other benefits during the year.

THE HABIB UNIVERSITY TRUST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

12. SERVICES

In common with many businesses of our size and nature we use services of auditors to prepare and submit returns if any of the tax authorities and assist with the preparation of financial statements.