

# ISLAMIC SHAKHSIYAH FOUNDATION

England & Wales · Charity number 1155314

## Details

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**Other names** ISF

**Status** Registered

**Legal form** CIO

**Registered** 2014-01-14

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 1st Floor  
277 St Ann's Rd  
London  
N15 5RG

**Phone** 02088028651

**Email** [mail@isfnet.org.uk](mailto:mail@isfnet.org.uk)

**Website** <https://www.shakhsiyahschools.uk/>

## Activities

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**Objects:** (A) FOR THE PUBLIC BENEFIT TO ADVANCE EDUCATION IN ACCORDANCE WITH THE PRINCIPLES AND PRACTICES OF SHAKHSIYAH EDUCATION THROUGH:(I) THE PROVISION, SUPPORT AND MAINTENANCE OF SCHOOLS ("SHAKHSIYAH SCHOOLS");(II) THE PROVISION OF BURSARIES, GRANTS OR OTHER FORMS OF ASSISTANCE TO ENABLE INDIVIDUALS TO ATTEND OR STUDY AT SHAKHSIYAH SCHOOLS WHO WOULD NOT OTHERWISE BE ABLE TO AFFORD TO DO SO;(B) FOR THE PUBLIC BENEFIT TO ADVANCE THE TEACHINGS AND PRACTICES OF ISLAM IN ACCORDANCE WITH THE FOUR SUNNI SCHOOLS OF THOUGHT;(C) FOR THE PUBLIC BENEFIT TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE PRINCIPLES AND PRACTICES OF SHAKHSIYAH EDUCATION;(D) THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE;(E) THE ADVANCEMENT OF RELIGIOUS HARMONY FOR THE BENEFIT OF THE PUBLIC BY:(I) EDUCATING THE PUBLIC IN DIFFERENT RELIGIOUS BELIEFS INCLUDING AN AWARENESS OF THEIR DISTINCTIVE FEATURES AND THEIR COMMON GROUND TO PROMOTE GOOD RELATIONS BETWEEN PERSONS OF DIFFERENT FAITHS;(II) PROMOTING KNOWLEDGE AND MUTUAL UNDERSTANDING AND RESPECT OF THE BELIEFS AND PRACTICES OF DIFFERENT RELIGIOUS FAITHS;(F)THE ADVANCEMENT OF SUCH OTHER CHARITABLE OBJECTS FOR THE PUBLIC BENEFIT AS THE CHARITY TRUSTEES MAY FROM TIME TO TIME THINK FIT.

**Activities:** ISLAMIC SHAKHSIYAH FOUNDATION RUNS TWO INDEPENDENT PRIMARY SCHOOLS AND TWO ATTACHED NURSERIES. THE SCHOOLS RUN ON AN ALTERNATIVE ETHOS AS DETAILED ON OUR WEBSITE. WE PROVIDE OTHER SERVICES TO THE COMMUNITY INCLUDING VARIOUS CLASSES AND COMMUNITY EVENTS. THE FOUNDATION IS INVOLVED IN THE PROPAGATION OF ISLAM IN ACCORDANCE WITH THE FOUR SUNNI SCHOOLS OF THOUGHT.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, The General Public/mankind

## Geography

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- Haringey
- Slough

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31		-	-	-
2024-07-31	£1,367,636	£1,350,370	£602,404	55
2023-07-31	£1,322,352	£1,244,501	£1,411,312	46
2022-07-31	£1,158,213	£1,183,003	£1,333,461	45
2021-07-31	£1,163,468	£914,069	£1,358,251	40
2020-07-31	£1,376,568	£860,229	£1,028,631	33

## Trustees

Name	Role	Appointed
Farah Ahmed	Chair	2005-11-23
FOZIYA REDDY PGCE		2013-12-19
NADIA QAHTAN AMEEN BSC HONS		2013-12-19
Saima Hussain		2021-01-14

**ISLAMIC SHAKHSIYAH FOUNDATION**

England & Wales - Charity number 1155314

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# Accounts

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CHARITY REGISTRATION NUMBER: 1155314

**ISLAMIC SHAKHSIYAH FOUNDATION**  
**Financial Statements**  
**31 July 2024**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

## Financial Statements

Year ended 31 July 2024

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# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2024

The trustees present their report and the financial statements of the charity for the year ended 31 July 2024.

#### Reference and administrative details

**Registered charity name** ISLAMIC SHAKHSIYAH FOUNDATION

**Charity registration number** 1155314

**Principal office** 1st Floor  
277 St Ann's Road  
Lodnon  
N15 5RG

**The trustees** Farah Ahmed  
Foziya Reddy  
Nadia Ameen  
Saima Hussein

**Accountant** Kingston Wells Accountants  
2nd Floor, The Porter Building  
1 Brunel Way  
Slough  
SL1 1FQ

**Auditor** Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
CR0 8EA

**Solicitors** Kuddus Solicitors and Notary Public  
First Floor, Offices  
94 Whitechapel Road  
London  
E1 1JQ

# ISLAMIC SHAKHSIYAH FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 July 2024



ISLAMIC  
SHAKHSIYAH  
FOUNDATION

**Islamic Shakhsiyah Foundation Charitable Incorporated Organisation Registered  
Number: 1155314**

**Trustees Annual Report 1st August 2023 – 31st July 2024**

Welcome to Islamic Shakhsiyah Foundation's Trustees' Annual Report, which sets out for our supporters and the general public what our charity has achieved in the past twelve months, and our future plans. This report outlines some key achievements and identifies areas for development in the coming year.

## **Introductory Matters**

### **Aim and purposes**

Islamic Shakhsiyah Foundation is an educational charitable trust set up by Muslim mothers to provide an alternative holistic Islamic education for Muslim children. Islamic Shakhsiyah Foundation ('the Charity') was entered on the Commission's Register of Charities as a Trust on 2 December 2005. On 14th January 2014 a new Charitable Incorporated Organisation was registered. The two charities ran in parallel until 29th May 2015 when the charitable trust was dissolved.

Islamic Shakhsiyah Foundation is now a charitable incorporated organization, incorporated on 14th January 2014 with the registered charity number of 1155314.

Islamic Shakhsiyah Foundation is a grassroots education initiative based in and around London. The foundation is the product of the dedicated efforts and sincere niyyah (intention) of Muslim mothers. At the core of our work is a synthesis of Classical Islamic education and carefully selected modern educational strategies that are in line with Islamic principles of holism and character development.. Islamic Shakhsiyah Foundation runs two faith-based independent schools in Slough (ages 3-11 years) and Haringey (Ages 3-16 years).

The Foundation is involved in the propagation of Islam in accordance with the four Sunni schools of thought; this includes research in philosophy and pedagogy of holistic Islamic education, dissemination of research and the production of curricula, within the theological framework of the four Sunni schools of thought. The Foundation also runs a programme of Islamic teacher education courses both online and in person, offers consultancy, and publishes educational and curricular

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

resources. The Foundation provides other services to the community including various classes and community events.

#### Charity objects:

The trustees must apply the income of the charity in furthering the following objects:

1. For the public benefit to advance education in accordance with the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular, through:
  - a. the provision, support and maintenance of schools ("ISF Schools"); and
  - b. the provision of bursaries, grants or other forms of assistance to enable individuals to attend or study at ISF Schools who would not otherwise be able to afford to do so.
2. For the public benefit to advance the Islamic religion in accordance with the four Sunni schools of thought.
3. For the public benefit to advance the education of the public in the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular."

#### Structure and Governance:

##### Trustees

The charity's trustees for the period were:

- Mrs. Farah Ahmed - BA hons, PGCE, MEd, PhD, FCCT (Chair of Trustees) -
- Mrs. Foziya Reddy - BA hons, PGCE
- Mrs. Nadia Ameen - BA Linguistics
- Ms Saima Hussain - BSc hons

##### Recruitment of Trustees

Trustees are recruited in accordance with the governing document, and all necessary safeguarding checks are carried out. Trustees are issued with the charity commission's guidance document for new trustees, and annually complete essential safeguarding and other relevant training.

##### Trustees Remuneration

The trustee roles are volunteer roles. However, as the charity grew out of a number of home-schooling initiatives, two of the founding trustees listed below also hold additional roles in the organisation for which they are remunerated. The Charity Commission has approved this arrangement. Trustees, in an annual trustee meeting, decide remuneration in accordance with Charity Commission guidelines.

Farah Ahmed: Director of Education and Research – Paid on an hourly consultancy basis.

Nadia Ameen: Acting Head teacher, Shakhsiyah School, London and SLT lead – Full-time

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

#### Public Benefit

Shakhsiyah Schools charge fees well below the market rate in order to provide parents from deprived communities the choice of an alternative holistic Islamic education for their children. The foundation also subsidises its teacher education courses to provide affordable continuous professional development to teachers.

#### Vision and Mission Statement

Our children are the future of our Deen and our community.

Our community will need leaders with a clear understanding of Islamic principles and doctrines; as we strive to maintain our Islam in the midst of confusion. Therefore, they will need the tarbiyah (Character education) that will enable them to become committed Muslims and committed citizens:

- Committed to Allah
- Committed to their Family
- Committed to their local Community
- Committed to Community Cohesion
- Committed to the Ummah (Global Muslim Community)
- Committed to Humanity

The role of Islamic Shakhsiyah Foundation is to develop Shakhsiyah Islamiyah (personal Islamic character) in every child and adult we engage with.

#### History

In 1998 five Muslim mothers in West London and Slough organised a home-schooling group for their young children aged between 3-5 years old. The following year mothers from North and East London joined in. This was the starting point of Islamic Shakhsiyah Foundation. As women from a huge variety of backgrounds, housewives, teachers and other professionals we engaged in a prolonged and thorough discussion of what we wanted to achieve. This discussion centred on the fundamental question which continues to guide our work: 'What is Islamic education?' We came to realise that the most valuable Islamic Education Model will not be a remedial solution to the problems faced by 'minority' communities. It will not add Islamic values and thought into existing contemporary models of education. This may be the easiest and most obvious way of proceeding, but it certainly will not lead to the desired outcomes we had set ourselves. The Islamic belief of the purpose of life is fundamentally in opposition to the secular belief. The secular education system therefore has fundamentally different goals to the Islamic education system. It is not sufficient to insert some Islamic aspects into secular systems. What is clear is that everything must be questioned, from the concept of school to the concept of the teacher and the curriculum and examined in light of Islamic educational principles of holism and character development.

We began to explore modern concepts and approaches to education along with the established Islamic principles. This has led to a synthesis of classical Islamic education with the modern approaches that reflect Islamic principles, resulting in a new and unique approach to primary education for Muslim children called 'Shakhsiyah Education'.

As an organisation led by Muslim women we have a nurturing organic ethos rooted in the needs of the local community. Our efforts are led by a sincere niyyah and internal motivation as opposed to the dominant target driven 'business' culture. We believe strongly that this is a reflection of Islamic principles and seek to uphold this in our future development inshaAllah. Islamic Shakhsiyah Foundation continues to engage in research and development by partnering with ongoing research

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

into halaqah as an Islamic pedagogy, shakhsiyah Islamiyah as a dialogical Muslim-self, and wider philosophy and practice of Islamic education at the University of Cambridge's Faculty of Education.

## Charity Activities and Achievements 2023-24

### Principles of Shakhsiyah Education

Our ethos as an organisation is set out in a booklet that explains the principles of Shakhsiyah Education. This is an important resource for all staff and members of the public who wish to understand our educational theory. These principles guide the work of the schools and all other activities of the foundation.

### Shakhsiyah Schools

Shakhsiyah schools continued their important work in educating young Muslim children with the educational philosophy of the principles of Shakhsiyah Education. The following achievements have been recorded for this year:

- Secondary Material Change inspection approved by the Department of Education enabling the launch of GCSE classes for 14-16 year olds in Shakhsiyah School, Haringey.
- A dedicated Science lab was installed to meet the needs of GCSE students.
- A strongly managed transition meant that the Leadership Team were able to withstand the mid-year departure of the Executive Head teacher.

### Shakhsiyah Curriculum, Courses and Consultancy

- ISF now runs the Islamic Educator Learning Community (IELC) Platform hosted by Camtree at the University of Cambridge. This online platform supports the foundation's work in relation to Object 3: "For the public benefit to advance the education of the public in the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular." ISF has also licensed two online courses on using dialogic halaqah to develop shakhsiyah on the IELC platform from Cambridge Enterprise.
- A new Curriculum and Consultancy Team was set-up to support the organisation's consultancy, produce curriculum resources for sale and manage IELC. Shakhsiyah Research and Resources has now been rebranded into Shakhsiyah Education Consultancy and Shakhsiyah Publications. Two short booklets were published.
- A new website was launched and our social media presence is now stronger internationally.
- Our Director of Education engaged in speaking tours in the USA, Canada, Australia and Malaysia where the Principles of Shakhsiyah Education were well received by local Islamic schools and communities.

### Future Plans for 2024-25

The foundation is seeking to do the following over the coming year:

### Shakhsiyah Schools

1. Renovate The Coach House to cater for new daycare facilities under the banner of Shakhsiyah Daycare in Slough in 2025.
2. Reorganise space to offer stronger and expanded provision in Shakhsiyah School, Slough
3. Continue to establish a strong secondary provision in Shakhsiyah School, London through establishing Years 10-11.
4. Build a stronger middle and phase leadership team and stronger operations team.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

#### Shakhsiyah Curriculum, Courses and Consultancy

1. Build the Shakhsiyah Education Consultancy wing.
2. Publish the Halaqah curriculum thematic units.
3. Run 3-6 cohorts of online courses on the IELC platform.

#### Financial Review

The charity's accounts for the 12 months period ending 31 July 2024 show an income of £1,367,636 and expenditure of £1,361,365.

The major part of expenditure (over 50%) is spent on staff salaries. An amount of £783,145 was paid out as salaries for the school staff and training costs were £3,372. As the current buildings are rented, the rent, rates and service charges were £263,772 and the insurance and building maintenance amounted to £48,631. A detailed break up of all the expenses is given under notes to the financial statements.

#### Principle Funding Sources

The charity is mainly funded through school fees. These are well below the market rate in order to maintain public benefit. A secondary income is through funding from local authorities for early years provision. Income from the new Curriculum, Consultancy and Courses wings is thus far negligible. The charity also receives donations.

#### Banking and Legal Details

The charity has a main income and expenditure bank account held at Barclays Bank, Wood Green Branch. The charity also has three further savings accounts, maintained to deposit donations (including scholarship donations), held at Al Rayan Bank, Whitechapel branch.

Kingston Wells Accountants, 2nd Floor, The Porter Building, 1 Brunel Way, Slough, SL1 1FQ carry out accounting services for the charity.

Saleemi Associates (Chartered Accountants & Statutory Auditor) of 792 Wickham Road, Croydon, CR0 8EA were appointed as auditors to carry out the audit of the financial statements.

The charity takes legal advice from Kuddus Solicitors, 94 Whitechapel Road, London E1 1JQ.

#### Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £80,000, to cover emergency situations that may arise from time to time. The balance of £399,370 held on unrestricted funds, at the yearend has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate risk investments. All the investment decisions have to be authorised by all the trustees.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

#### Investments

The charity had no investments during the accounting period. Donations are kept in a savings account with Al Rayan bank.

#### Financial Challenges

#### Concerns and Risks in the Present & Coming Year

1. Independent schools have been exempt from charging VAT on school fees, however this may well change with new government legislation that may come into force in the next academic year. This is likely to impact the number of children on roll as many families are unable to manage this payment.
2. Additional anticipated legislation would mean that independent schools may also have to pay full business rates, which will be a substantial additional cost.
3. Persistent issues with delayed and in some cases non-payment of fees, particularly in Shakhsiyah School, London, which has also seen a decrease in admissions since the pandemic is likely to be exacerbated with the application of VAT, and this will have a negative impact on the cash flow of both schools as school fees are ISF's main sources of income
4. Building works are ongoing for Shakhsiyah School, Slough. There is a substantial cost which requires fundraising.
5. Further building Works for Shakhsiyah School, London are needed to meet the requirements for a 3-16 years school.
6. There was an ad hoc funding grant which was received in November 2023 of £92,185.70 which will not be paid in 2024-25.

Trustees are mindful of the above challenges in terms of the financial viability of each school. However, the charity has an unrestricted reserve of £399,370 which trustees believe is sufficient to support the Charity operations in near future.

#### Future Plans

The charity needs to put together a long-term strategy to increase income through diversifying its activities and generate regular amounts through planned fundraising. The charity is also considering opening a day-care provision in The Coach House which will cater for 2+ year's olds and generate new income for the future. The charity also has plans to launch its own Curriculum, Courses and Consultancy in which the team produce curriculum resources for sale. The charity should consider investing any surplus funds to generate a profit. The charity will therefore need to develop an investment policy.

The Charity does not issue grants but does assist parents by reducing fees in hardship cases. This is determined through assessing parents' income and needs. A scholarship linked to the charity has been set up in the name of Mustafa Ali Sadiq, to fund a small number of children to attend the school.

#### Mustafa Ali Sadiq Scholarship Fund

In July 2014, the foundation's trustees agreed to the launch of the Mustafa Ali Sadiq Scholarship fund by the family of Mustafa Ali Sadiq. Mustafa was a student at Shakhsiyah schools who sadly died in June 2014 at the tender age of ten. His family is very grateful to the foundation for the support provided to them during this difficult year and to Shakhsiyah Schools in helping to develop a beautiful character in Mustafa, which enabled him to endure a terrible illness with patience and dignity. Thus, a pledge was made by the family to fund the education of another child in Mustafa's memory as a

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

sadaqah jaariyah for Mustafa, and a fund was created for anyone to donate to this cause. A scholarship was awarded to one child for the academic years 2014-15.

The scholarship fund is reported separately in the trial balance.

#### **Scholarship Income:**

July 2014: £5,331.53

Aug 2014 – July 2015: £3,525.25

Aug 2015 – July 2016: £7,441.53

Aug 2016 – July 2017: £3,880

Aug 2017 – July 2018: £3,660

Aug 2018 – July 2019: £1,405

Aug 2019 – July 2020: £860

Aug 2020- July 2021: £740

Aug 2021 – July 2022 £680

Aug 2022 – July 2023 £440

Aug 2023 – July 2024 £620

The total raised to date is £25,863.31

#### **Scholarship Expenditure:**

£6,240 spent on fees for 2014-15 and 2015-16 during the 2015-16 accounting period.

£3,360 spent on fees for 2016-17 during the 2016-17 accounting period.

£3,480 spent on fees for 2017-18 during the 2017-18 accounting period.

£0 spent on fees during the 2018-19 accounting period.

£0 spent on fees during the 2019-20 accounting period.

£0 spent on fees during the 2020-21 accounting period.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2024

£0 spent on fees during the 2021-22 accounting period.

£0 spent on fees during the 2022-23 accounting period.

£0 spent on fees during the 2023-24 accounting period.

The total expenditure to date is: £13,080

£15,303.31 is held in reserve

### Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the 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 applicable 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

Foziya Reddy  
Trustee

Nadia Ameen  
Trustee

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION

**Year ended 31 July 2024**

### Opinion

We have audited the financial statements of Islamic Shakhsiyah Foundation (the 'charity') for the year ended 31 July 2024 which comprise Statement of Financial Activities and Statement of Financial Position 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2024 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

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

Our review revealed that the charity has experienced a significant decline in income during the financial year, leading to a decrease in net profit. While this indicates financial pressure, the trustees have evaluated the availability of unrestricted reserves and confirmed that there is a sufficient balance to support operations in case of a shortfall.

Additionally, the trustees have taken proactive measures to address the income shortfall by developing contingency plans, including the potential expansion of services aimed at generating additional revenue sources. These actions, coupled with the current level of unrestricted reserves, provide reasonable assurance that the charity has adequate resources to continue as a going concern for at least twelve months from when the financial statements are authorised for issue.

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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2024

#### Emphasis of Matter – Prior Year Adjustments

We draw attention to Note 20 to the financial statements, which explains that the financial statements for the year ended 31 July 2023 have been restated to correct material misstatements identified in respect of that year.

The restatement relates to the overstatement of trade debtors in prior year by £315,179, due to receivables being recognised in error.

In addition, a restricted donation of £500,000 originally recognised as income in the prior year, has been refunded in the current year after it was determined that the conditions attached to the donation could not be fulfilled.

Additionally, Property depreciation £10,995 has been moved from unrestricted fund to restricted fund.

Our opinion is not modified in respect of this matter.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

#### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2024

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

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. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, GDPR, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but was not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2024

forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

Date:

Saleemi Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Activities

Year ended 31 July 2024

		2024		2023	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	463,820	–	<b>463,820</b>	367,346
Charitable activities	5	890,717	–	<b>890,717</b>	942,670
Investment income	6	13,099	–	<b>13,099</b>	12,336
<b>Total income</b>		<u>1,367,636</u>	<u>–</u>	<u><b>1,367,636</b></u>	<u>1,322,352</u>
<b>Expenditure</b>					
Expenditure on charitable activities	7,8	(1,350,370)	(10,995)	<b>(1,361,365)</b>	(1,244,501)
<b>Total expenditure</b>		<u>1,350,370</u>	<u>10,995</u>	<u><b>1,361,365</b></u>	<u>1,244,501</u>
<b>Net income and net movement in funds</b>		<u>17,266</u>	<u>(10,995)</u>	<u><b>6,271</b></u>	<u>77,851</u>
<b>Reconciliation of funds</b>					
Total funds brought forward as previously reported		686,288	725,024	<b>1,411,312</b>	1,333,461
Prior year adjustment		(304,184)	(510,995)	<b>(815,179)</b>	–
Total funds brought forward as restated		<u>382,104</u>	<u>214,029</u>	<u><b>596,133</b></u>	<u>1,333,461</u>
<b>Total funds carried forward</b>		<u>399,370</u>	<u>203,034</u>	<u><b>602,404</b></u>	<u>1,411,312</u>

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

The notes on pages 17 to 24 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Position

31 July 2024

	Note	2024 £	£	2023 £
<b>Fixed assets</b>				
Tangible fixed assets	13		60,102	75,493
<b>Current assets</b>				
Debtors	14	190,925		344,331
Cash at bank and in hand		609,633		1,155,422
		<u>800,558</u>		1,499,753
<b>Creditors: amounts falling due within one year</b>	15	<u>258,256</u>		163,934
<b>Net current assets</b>			<u>542,302</u>	1,335,819
<b>Total assets less current liabilities</b>			<u>602,404</u>	1,411,312
<b>Net assets</b>			<u>602,404</u>	<u>1,411,312</u>
<b>Funds of the charity</b>				
Restricted funds			203,034	725,024
Unrestricted funds			399,370	686,288
<b>Total charity funds</b>	17		<u>602,404</u>	<u>1,411,312</u>

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

Foziya Reddy  
Trustee

Nadia Ameen  
Trustee

The notes on pages 17 to 24 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Cash Flows

Year ended 31 July 2024

	2024	2023
	£	£
<b>Cash flows from operating activities</b>		
Net income	6,271	77,851
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	15,909	17,374
Profit on investment	(13,099)	(12,336)
Bank charge	601	102
Accrued income	3,000	(112,258)
<i>Changes in:</i>		
Trade and other debtors	153,406	(150,210)
Trade and other creditors	91,322	(77,034)
Cash generated from operations	257,410	(256,511)
Bank charge	(601)	(102)
Profit on investment	13,099	12,336
Net cash from/(used in) operating activities	269,908	(244,277)
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(518)	(15,551)
Net cash used in investing activities	(518)	(15,551)
<b>Net increase/(decrease) in cash and cash equivalents</b>	269,390	(259,828)
<b>Cash and cash equivalents at beginning of year</b>	1,155,422	1,415,250
<b>Prior year adjustments</b>	(815,179)	–
<b>Cash and cash equivalents at end of year</b>	609,633	1,155,422

### Note on Prior Year Adjustment:

In 2024, the charity identified a prior year adjustment related to recognition of revenue and refund of restricted donation (note 20). This resulted in a restatement of net income in prior year by £815,179 and decrease in opening cash balance of year ended 31 July 2024. The opening cash for 2024 was restated to £340,243 from £1,155,422.

The notes on pages 17 to 24 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements

### Year ended 31 July 2024

#### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Lion House, Peters field Ave, Slough, SL2 5DN.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	10% straight line
Fixture and fittings	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2024 £</b>	Unrestricted Funds £	Total Funds 2023 £
<b>Donations</b>				
Donations	30,704	<b>30,704</b>	16,253	16,253
Just Giving Appeal	2,076	<b>2,076</b>	8,028	8,028
<b>Grants</b>				
Early years grant	381,858	<b>381,858</b>	343,065	343,065
Other grants	49,182	<b>49,182</b>	–	–
	<u>463,820</u>	<u><b>463,820</b></u>	<u>367,346</u>	<u>367,346</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 5. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2024 £</b>	Unrestricted Funds £	Total Funds 2023 £
Tuition fees and school activities	882,518	<b>882,518</b>	933,138	933,138
Uniform and book sale	1,092	<b>1,092</b>	1,766	1,766
Other income from other charitable activities	7,107	<b>7,107</b>	7,766	7,766
	<u>890,717</u>	<u><b>890,717</b></u>	<u>942,670</u>	<u>942,670</u>

#### 6. Investment income

	Unrestricted Funds £	<b>Total Funds 2024 £</b>	Unrestricted Funds £	Total Funds 2023 £
Profit on investment	13,099	<b>13,099</b>	12,336	12,336

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2024 £</b>
Charitable activities	1,318,173	10,995	<b>1,329,168</b>
Support costs	32,197	–	<b>32,197</b>
	<u>1,350,370</u>	<u>10,995</u>	<u><b>1,361,365</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable activities	1,216,531	–	1,216,531
Support costs	27,970	–	27,970
	<u>1,244,501</u>	<u>–</u>	<u>1,244,501</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2024 £</b>	Total fund 2023 £
Charitable activities	1,329,168	–	<b>1,329,168</b>	1,216,531
Governance costs	–	32,197	<b>32,197</b>	27,970
	<u>1,329,168</u>	<u>32,197</u>	<u><b>1,361,365</b></u>	<u>1,244,501</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 9. Net income

Net income is stated after charging/(crediting):

	<b>2024</b>	2023
	£	£
Depreciation of tangible fixed assets	<b>15,909</b>	17,374
Operating lease rentals	<b>–</b>	766
	<u>          </u>	<u>          </u>

#### 10. Auditors remuneration

	<b>2024</b>	2023
	£	£
Fees payable for the audit of the financial statements	<b>3,000</b>	–
	<u>          </u>	<u>          </u>

#### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2024</b>	2023
	£	£
Wages and salaries	<b>783,145</b>	671,928
Social security costs	<b>9,107</b>	23,624
Employer contributions to pension plans	<b>10,334</b>	10,688
	<u><b>802,586</b></u>	<u>706,240</u>

The average head count of employees during the year was 55 (2023: 46).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

#### 12. Trustee remuneration and expenses

Two of the founding trustees hold additional roles in the organisation for which they are remunerated. The charity commission has approved this arrangement. Trustees, in the annual trustee meeting, decide remuneration in accordance with Charity Commission guideline. The total remuneration paid to the trustees in year ending 31<sup>st</sup> July 2024 amounts to £38,468.

#### 13. Tangible fixed assets

	Leased buildings £	Fixtures and fittings £	Equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 August 2023	109,948	74,040	45,483	<b>229,471</b>
Additions	–	518	–	<b>518</b>
<b>At 31 July 2024</b>	<u>109,948</u>	<u>74,558</u>	<u>45,483</u>	<u><b>229,989</b></u>
<b>Depreciation</b>				
At 1 August 2023	53,590	67,863	32,525	<b>153,978</b>
Charge for the year	10,995	1,674	3,240	<b>15,909</b>
<b>At 31 July 2024</b>	<u>64,585</u>	<u>69,537</u>	<u>35,765</u>	<u><b>169,887</b></u>
<b>Carrying amount</b>				
<b>At 31 July 2024</b>	<u>45,363</u>	<u>5,021</u>	<u>9,718</u>	<u><b>60,102</b></u>
At 31 July 2023	<u>56,358</u>	<u>6,177</u>	<u>12,958</u>	<u>75,493</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 14. Debtors

	2024	2023
	£	£
Trade debtors	188,674	342,080
Prepayments and accrued income	2,251	2,251
	<u>190,925</u>	<u>344,331</u>

#### 15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	43,601	54,804
Accruals and deferred income	6,795	3,795
Social security and other taxes	25,455	21,151
Other creditors	182,405	84,184
	<u>258,256</u>	<u>163,934</u>

#### 16. Pensions and other post-retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,334 (2023: £10,688).

#### 17. Analysis of charitable funds

##### Unrestricted funds

	At 1 August 2023	Income £	Expenditure £	Prior year adjustments £	At 31 July 2024 £
General funds	686,288	1,367,636	(1,350,370)	(304,184)	<u>399,370</u>

	At 1 August 2022	Income £	Expenditure £	Prior year adjustments £	At 31 July 2023 £
General funds	608,437	1,322,352	(1,244,501)	–	<u>686,288</u>

##### Restricted funds

	At 1 August 2023	Income £	Expenditure £	Prior year adjustments £	At 31 July 2024 £
Restricted Fund	725,024	–	(10,995)	(510,995)	<u>203,034</u>

	At 1 August 2022	Income £	Expenditure £	Prior year adjustments £	At 31 July 2023 £
Restricted Fund	725,024	–	–	–	<u>725,024</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2024

#### 18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	14,739	45,363	<b>60,102</b>
Current assets	642,887	157,671	<b>800,558</b>
Creditors less than 1 year	(258,256)	–	<b>(258,256)</b>
<b>Net assets</b>	<u>399,370</u>	<u>203,034</u>	<u><b>602,404</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	75,493	–	75,493
Current assets	1,499,753	–	1,499,753
Creditors less than 1 year	(163,934)	–	(163,934)
<b>Net assets</b>	<u>1,411,312</u>	<u>–</u>	<u>1,411,312</u>

#### 19. Analysis of changes in net debt

	At 1 Aug 2023 £	Cash flows £	At 31 Jul 2024 £
Cash at bank and in hand	<u>1,155,422</u>	<u>(545,789)</u>	<u><b>609,633</b></u>

#### 20. Prior year Adjustments

The prior year adjustments made in year ending 31<sup>st</sup> July 2024 are:

1. The charity had to return £500,000 donation. This related to a restricted donations that was received in prior years and as it was unable to fulfil the donation purpose of purchasing a school building. As per the restricted donation policy it was return in the year ending 31<sup>st</sup> July 2024. The charity has informed Charity Commission of this return.
2. Prior year trade debtors were overstated by £315,179 due to accounting error.
3. Property depreciation £10,995 was moved from unrestricted fund to restricted fund.

# **ISLAMIC SHAKHSIYAH FOUNDATION**

**Management Information**

**Year ended 31 July 2024**

**The following pages do not form part of the financial statements.**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2024

	2024 £	2023 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	30,704	16,253
Just Giving Appeal	2,076	8,028
Early years grant	381,858	343,065
Other grants	49,182	–
	<u>463,820</u>	<u>367,346</u>
<b>Charitable activities</b>		
Tuition fees and school activities	882,518	933,138
Uniform and book sale	1,092	1,766
Other income from other charitable activities	7,107	7,766
	<u>890,717</u>	<u>942,670</u>
<b>Investment income</b>		
Profit on investment	13,099	12,336
	<u>13,099</u>	<u>12,336</u>
<b>Total income</b>	<u><u>1,367,636</u></u>	<u><u>1,322,352</u></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Detailed Statement of Financial Activities

Year ended 31 July 2024

### Expenditure on charitable activities

Wages and salaries	783,145	671,928
Employer's NIC	9,107	23,624
Pension costs	10,334	10,688
Operating leases	–	766
Rent, Rates and water	250,269	234,654
Light and heat	13,503	14,569
Repairs and maintenance	48,631	8,027
Insurance	10,248	8,850
Premises cleaning	35,510	42,368
Legal and professional fees	38,857	78,970
Telephone	2,549	3,140
Depreciation	15,909	17,374
Bank charges	601	102
Resources purchases	41,739	18,110
Uniform costs	2,823	1,553
Milk expenses	9,504	4,593
Printing, postage and stationery	16,702	14,760
School event charges	10,132	8,726
Ofsted charges and subscriptions	15,929	12,183
General expenses	14,793	39,107
Cost of PE Lessons	1,327	1,677
Bad Debts	24,000	26,706
Staff training	3,372	1,455
Website and advertising	2,381	571
	<u>(1,361,365)</u>	<u>(1,244,501)</u>
<b>Total expenditure</b>	<b><u>1,361,365</u></b>	<b><u>1,244,501</u></b>
<b>Net income</b>	<b><u>6,271</u></b>	<b><u>77,851</u></b>

**ISLAMIC SHAKHSIYAH FOUNDATION**

England & Wales - Charity number 1155314

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# Accounts

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CHARITY REGISTRATION NUMBER: 1155314

**ISLAMIC SHAKHSIYAH FOUNDATION**  
**Financial Statements**  
**31 July 2023**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

## Financial Statements

Year ended 31 July 2023

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# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2023

The trustees present their report and the financial statements of the charity for the year ended 31 July 2023.

#### Reference and administrative details

<b>Registered charity name</b>	ISLAMIC SHAKHSIYAH FOUNDATION
<b>Charity registration number</b>	1155314
<b>Principal office</b>	1st Floor 277 St Ann's Road Lodnon N15 5RG
<b>The trustees</b>	Farah Ahmed Foziya Reddy Nadia Ameen Saima Hussein Duaa Karim
<b>Accountant</b>	Kingston Wells Chartered Certified Accountants The Porter Building 2nd Floor Spaces 1 Brunel Way Slough SL1 1FQ
<b>Auditor</b>	Saleemi Associates Chartered accountants & statutory auditor 792 Wickham Road Croydon CR0 8EA
<b>Solicitors</b>	Kuddus Solicitors, 94 Whitechapel Road London E1 1JQ

# ISLAMIC SHAKHSIYAH FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 July 2023



ISLAMIC  
SHAKHSIYAH  
FOUNDATION

**Islamic Shakhsiyah Foundation** Charitable Incorporated Organisation Registered Number: 1155314

## Trustees Annual Report 1<sup>st</sup> August 2022 – 31<sup>st</sup> July 2023

Welcome to Islamic Shakhsiyah Foundation's Trustees' Annual Report, which sets out for our supporters and the general public what our charity has achieved in the past twelve months, and our future plans. This report outlines some key achievements and identifies areas for development in the coming year.

### Introductory Matters

#### Aim and purposes

Islamic Shakhsiyah Foundation is an educational charitable trust set up by Muslim mothers to provide an alternative holistic Islamic education for Muslim children. Islamic Shakhsiyah Foundation ('the Charity') was entered on the Commission's Register of Charities on 2 December 2005 and is governed by a trust deed dated 23 November 2005 and amended on 12<sup>th</sup> May 2011. On 14<sup>th</sup> January 2014 a new Charitable Incorporated Organisation was registered. The two charities ran in parallel until 29<sup>th</sup> May 2015 when the charitable trust was dissolved. However, due to an administrative error the charitable trust remained on the Charity Commission's register until 4<sup>th</sup> December 2015.

Islamic Shakhsiyah Foundation is now a charitable incorporated organization, incorporated on 14<sup>th</sup> January 2014 with the registered charity number of 1155314.

Islamic Shakhsiyah Foundation is a grassroots education initiative based in and around London. The foundation is the product of the dedicated efforts and sincere niyah (intention) of Muslim mothers. At the core of our work is a synthesis of Classical Islamic education and carefully selected modern educational strategies that are in line with Islamic principles of holism and character development embodied in the terms, Tarbiyah, T'alim and T'adib.

Islamic Shakhsiyah Foundation runs two faith-based independent schools in Slough (Primary) and Haringey (through school from Nursery to Secondary KS3. This foundation also runs Tifly Daycare in Haringey. The Foundation is involved in the propagation of Islam in accordance with the four Sunni schools of thought; this includes research in philosophy and pedagogy of holistic Islamic education, dissemination of research and the production of curricula, within the theological framework of the four Sunni schools of thought. The Foundation also runs a programme of Islamic teacher education courses both online and in person. The Foundation provides other services to the community including various classes and community even

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2023

### Charity objects:

The trustees must apply the income of the charity in furthering the following objects:

1) For the public benefit to advance education in accordance with the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular, through:

- a. the provision, support and maintenance of schools ("ISF Schools"); and
- b. the provision of bursaries, grants or other forms of assistance to enable individuals to attend or study at ISF Schools who would not otherwise be able to afford to do so.

2) For the public benefit to advance the Islamic religion in accordance with the four Sunni schools of thought.

3) For the public benefit to advance the education of the public in the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular."

### Structure and Governance:

Trustees

The charity's trustees for the period were:

Mrs. Farah Ahmed - BA hon's, PGCE, MEd, PhD, FCCT (Chair of Trustees)  
Mrs. Foziya Reddy - BA hon's, PGCE  
Mrs. Nadia Ameen - BA Linguistics  
Ms Duaa Karim - BA hon's, Msc, and ACCA  
Ms Saima Hussain - BSc hon's

### Recruitment of Trustees

Trustees are recruited in accordance with the governing document, and all necessary safeguarding checks are carried out. Trustees are issued with the charity commission's guidance document for new trustees, and annually complete essential safeguarding and other relevant training.

### Trustees Remuneration

The trustee roles are volunteer roles. However, as the charity grew out of a number of homeschooling initiatives, two of the founding trustees listed below also hold additional roles in the organization for which they are remunerated. The Charity Commission has approved this arrangement. Trustees, in an annual trustee meeting, decide remuneration in accordance with Charity Commission guidelines.

Farah Ahmed: Director of Education and Research –Paid on an hourly consultancy basis.

Nadia Ameen: Deputy Head teacher and Head of Arabic, Shakhsiyah School, London and Slough – Full-time.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2023

### Public Benefit

Shakhsiyah Schools charge fees well below the market rate in order to provide parents from deprived communities the choice of an alternative holistic Islamic education for their children. The foundation also subsidises its teacher education courses to provide affordable continuous professional development to teachers.

### Vision and Mission Statement

Our children are the future of our Deen and our community.

Our community will need leaders with a clear understanding of Islamic principles and doctrines; as we strive to maintain our Islam in the midst of confusion. Therefore, they will need the tarbiyah (Character education) that will enable them to become committed Muslims and committed citizens:

- Committed to Allah
- Committed to their Family
- Committed to their local Community
- Committed to Community Cohesion
- Committed to the Ummah (Global Muslim Community)
- Committed to Humanity

The role of Islamic Shakhsiyah Foundation is to develop Shakhsiyah Islamiyah (personal Islamic character) in every child and adult we engage with.

### History

In 1998 five Muslim mothers in West London and Slough organised a home-schooling group for their young children aged between 3-5 years old. The following year mothers from North and East London joined in. This was the starting point of Islamic Shakhsiyah Foundation. As women from a huge variety of backgrounds, housewives, teachers and other professionals we engaged in a prolonged and thorough discussion of what we wanted to achieve. This discussion centred on the fundamental question which continues to guide our work: 'What is Islamic education?' We came to realise that the most valuable Islamic Education Model will not be a remedial solution to the problems faced by 'minority' communities. It will not add Islamic values and thought into existing contemporary models of education. This may be the easiest and most obvious way of proceeding, but it certainly will not lead to the desired outcomes we had set ourselves. The Islamic belief of the purpose of life is fundamentally in opposition to the secular belief. The secular education system therefore has fundamentally different goals to the Islamic education system. It is not sufficient to insert some Islamic aspects into secular systems. What is clear is that everything must be questioned, from the concept of school to the concept of the teacher and the curriculum and examined in light of Islamic educational principles of holism and character development.

We began to explore modern concepts and approaches to education along with the established Islamic principles. This has led to a synthesis of classical Islamic education with the modern approaches that reflect Islamic principles, resulting in a new and unique approach to primary education for Muslim children called 'Shakhsiyah Education'.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

As an organisation led by Muslim women we have a nurturing organic ethos rooted in the needs of the local community. Our efforts are led by a sincere niyah and internal motivation as opposed to the dominant target driven 'business' culture. We believe strongly that this is a reflection of Islamic principles and seek to uphold this in our future development inshaAllah. Islamic Shakhsiyah Foundation continues to engage in research and development by funding research into Halaqah as an Islamic pedagogy through a PhD in 'Educational Research' at the University of Cambridge. The findings of this PhD are being widely disseminated and influencing schools across the world.

### Charity Activities and Achievements 2022-23

#### Principles of Shakhsiyah Education

Our ethos as an organisation is set out in a booklet that explains the principles of Shakhsiyah Education. This is an important resource for all staff and members of the public who wish to understand our educational theory. These principles guide the work of the schools and all other activities of the foundation.

#### Shakhsiyah Schools and Tifly Day Care

Shakhsiyah schools and Tifly Day Care continued their important work in educating young Muslim children with the educational philosophy of the principles of Shakhsiyah Education. The senior leadership team continues to lead the schools and work with staff and parents to provide education in line with the Shakhsiyah Principles. The following achievements have been recorded for this year:

- Shakhsiyah School London and Shakhsiyah School, Slough have met all the regulatory standards of the Independent school Inspectorate after joining Independent Schools Association.
- Shakhsiyah School, London is now offering education for 3-14 year olds with classes from Early Years to Year 9.
- A long-term lease (20 years) of Cippenham Lodge and The Coach House has been secured providing long-term stability for Shakhsiyah School, Slough.
- New branding was introduced as part of the 20 year celebration of Shakhsiyah Schools

In order to make space for introducing GCSE classes in Shakhsiyah School, London, the decision was made to close Tifly Day Care in London and the facility closed on 31st July 2023. This will allow the development of an all through school.

#### Shakhsiyah Teacher Education

Islamic Shakhsiyah Foundation has taken ownership of the Islamic Educator Learning Community Platform (<https://ielc.camtree.org/>), which is a domain of the Cambridge Teacher Research Exchange (<https://camtree.org/>). This online platform will support the foundation's work in relation to Object 3: "For the public benefit to advance the education of the public in the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular." ISF has also licensed two online courses on using dialogic halaqah to develop shakhsiyah on the IELC platform from Cambridge Enterprise. Shakhsiyah Teacher Education will now operate through the IELC platform and new Shakhsiyah Education Consultancy Services. (See below)

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

#### Shakhsiyah Research and Resources

Shakhsiyah Research and Resources will be rebranded into Shakhsiyah Education Consultancy and Shakhsiyah Publications over the next year. New staff will be employed to develop this area.

#### Shakhsiyah Community and Shakhsiyah Youth

The foundation continues to work within the local community in order to meet our objectives. However, community and youth events are being tied in with the work of the schools going forward.

#### Future Plans for 2023-24

The foundation is seeking to do the following over the coming year:

##### Shakhsiyah Schools

1. Reorganise space to offer stringer and perhaps expanded provision in Shakhsiyah School, Slough
2. Continue to establish a strong secondary provision in Shakhsiyah School, London through applying to expand to Years 10-11 i.e. GCSE classes.

##### Shakhsiyah Research and Resources and Shakhsiyah Teacher Education

1. Rebrand and build Shakhsiyah Education Consultancy through curricula publications and the IELC platform.

##### Shakhsiyah Community, Shakhsiyah Youth and Fundraising

1. It has been decided to merge this with school activities to allow greater focus on other projects.

#### Concerns and Risks in the Present & Coming Year

1. As the Cippenham Lodge fundraising campaign was not able to achieve its goal, the charity has to go through relevant processes in managing next steps.
2. Building works are ongoing for Shakhsiyah School, Slough. There is a substantial cost which requires fundraising.
3. Building Works for Shakhsiyah School, London are needed to meet the requirements for GCSE classes.

The charity has unrestricted reserves of £ 686,288 which trustees believe is sufficient to support the charity operations in near future.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

#### Mustafa Ali Sadiq Scholarship Fund

In July 2014, the foundation's trustees agreed to the launch of the Mustafa Ali Sadiq Scholarship fund in by the family of Mustafa Ali Sadiq. Mustafa was a student at Shakhsiyah schools who sadly died in June 2014 at the tender age of ten. His family is very grateful to the foundation for the support provided to them during this difficult year and to Shakhsiyah Schools in helping to develop a beautiful character in Mustafa, which enabled him to endure a terrible illness with patience and dignity. Thus, a pledge was made by the family to fund the education of another child in Mustafa's memory as a sadaqah jaariyah for Mustafa, and a fund was created for anyone to donate to this cause. A scholarship was awarded to one child for the academic years 2014-15.

The scholarship fund is reported separately in the trial balance.

#### Scholarship Income:

July 2014: £5,331.53

Aug 2014 – July 2015: £3,525.25

Aug 2015 – July 2016: £7,441.53

Aug 2016 – July 2017: £3,880

Aug 2017 – July 2018: £3,660

Aug 2018 – July 2019: £1,405

Aug 2019 – July 2020: £860

Aug 2020- July 2021: £740

Aug 2021 – July 2022 £680

Aug 2022- July 2023 £440

The total raised to date is **£25,243.31**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

#### Scholarship Expenditure:

£6,240 was spent on fees for 2014-15 and 2015-16 during the 2015-16 accounting Period.

£3,360 has been spent on fees for 2016-17 during the 2016-17 accounting period.

£3,480 has been spent on fees for 2017-18 during the 2017-18 accounting period.

£0 has been spent on fees during the 2018-19 accounting period.

£0 has been spent on fees during the 2019-20 accounting period.

£0 has been spent on fees during the 2020-21 accounting period.

£0 has been spent on fees during the 2021-22 accounting period.

£0 has been spent on fees during the 2022-23 accounting period.

The total expenditure to date is: **£13,080**

Over **£13,023.31** is held in reserve.

#### Financial Review:

The charity's accounts for the 12 months period ending 31 July 2023 show an income of £1,322,352 and expenditure of £1,244,501. There was a significant decrease in donations to the charity as charity was focusing on the establishment of the new premises.

The major part of expenditure is spent on staff salaries. An amount of £671,928 was paid out as salaries for the school staff and training cost was £1,455. As the current buildings are rented rent, rates and service charges were £234,654 and the insurance and building maintenance amounted to £8,027.

A detailed break up of all the expenses is given under notes to the financial statements.

#### Principle Funding Sources

The charity is mainly funded through school fees. These are well below the market rate in order to maintain public benefit. A secondary income is through donations and funding from Local authorities.

#### Banking and Legal Details

The charity has a main income and expenditure bank account held at Barclays Bank, Wood Green Branch. The charity also has three further savings accounts, maintained to deposit donations (including scholarship donations), and held at Al Rayan Bank, Whitechapel branch.

The Saleemi Associates (Chartered Accountants & Statutory Auditor) of 792 Wickham Road, Croydon, CR0 8EA were appointed as auditors to carry out the audit of the financial statements.

Furthermore, the charity takes legal advice from Ahmad Thomson of Wynne Chambers, 5 Kimberley Road, London NW6 7SG and Kuddus Solicitors, 94 Whitechapel Road, London E1 1JQ

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

#### Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £80,000, to cover emergency situations that may arise from time to time. The balance of £686,288 held on unrestricted funds, at the yearend has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate-risk investments. All the investment decisions have to be authorised by all the trustees.

#### Investments

The charity had no investments during the accounting period. Donations are kept in a savings account with Al Rayan bank.

#### Financial Challenges

The charity does not currently have the full funds necessary to purchase a school building outright, which means that substantial amounts are paid out in rent. Due to the organic growth of the schools, the rental and other Building costs continue to increase. Purchasing Cippenham Lodge or signing a new long-term lease continues to be the charity's priority. The London School's' premises lease is expiring and needs to be renegotiated.

#### Future Plans

The charity needs to put together a long-term strategy to increase income and generate regular amounts through planned fundraising. The charity should consider investing any surplus funds to generate a profit. The charity will therefore need to develop an investment policy. The new EHT will be working with the Operations Team on diversifying income in the coming year.

#### Grants

The Charity does not issue grants but does assist parents by reducing fees in hardship cases. This is determined through assessing parents' income and need. A scholarship linked to the charity has been set up in the name of Mustafa Ali Sadiq, to fund a small number of children to attend the school.

#### Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the 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 applicable 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2023

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 21 March 2024 and signed on behalf of the board of trustees by:

Foziya Reddy  
Trustee

Saima Hussain  
Trustee

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

Year ended 31 July 2023

### Opinion

We have audited the financial statements of Islamic Shakhsiyah Foundation (the 'charity') for the year ended 31 July 2023 which comprise Statement of Financial Activities and Statement of Financial Position 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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

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

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2023

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.

#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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**

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. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, GDPR, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2023

Our audit procedures were designed to respond to those identified risks, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but was not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon, CR0 8EA

Date :

Saleemi Associates is eligible for appointment as auditors of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Activities

Year ended 31 July 2023

			<b>2023</b>		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	367,346	–	<b>367,346</b>	441,399
Charitable activities	5	942,670	–	<b>942,670</b>	716,778
Investment income	6	12,336	–	<b>12,336</b>	36
<b>Total income</b>		<u>1,322,352</u>	<u>–</u>	<u><b>1,322,352</b></u>	<u>1,158,213</u>
<b>Expenditure</b>					
Expenditure on charitable activities	7,8	(1,244,501)	–	<b>(1,244,501)</b>	(1,183,003)
<b>Total expenditure</b>		<u>1,244,501</u>	<u>–</u>	<u><b>1,244,501</b></u>	<u>1,183,003</u>
<b>Net income/(expenditure) and net movement in funds</b>		<u>77,851</u>	<u>–</u>	<u><b>77,851</b></u>	<u>(24,790)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		608,437	725,024	<b>1,333,461</b>	1,358,251
<b>Total funds carried forward</b>		<u>686,288</u>	<u>725,024</u>	<u><b>1,411,312</b></u>	<u>1,333,461</u>

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

The notes on pages 15 to 22 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Position

31 July 2023

	Note	2023 £	£	2022 £
<b>Fixed assets</b>				
Tangible fixed assets	12		75,493	77,316
<b>Current assets</b>				
Debtors	13	344,331		194,121
Cash at bank and in hand		1,155,422		1,415,250
		<u>1,499,753</u>		<u>1,609,371</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>163,934</u>		<u>353,226</u>
<b>Net current assets</b>			<u>1,335,819</u>	<u>1,256,145</u>
<b>Total assets less current liabilities</b>			<u>1,411,312</u>	<u>1,333,461</u>
<b>Net assets</b>			<u>1,411,312</u>	<u>1,333,461</u>
<b>Funds of the charity</b>				
Restricted funds			725,024	725,024
Unrestricted funds			686,288	608,437
<b>Total charity funds</b>	16		<u>1,411,312</u>	<u>1,333,461</u>

These financial statements were approved by the board of trustees and authorised for issue on 21 March 2024, and are signed on behalf of the board by:

Foziya Reddy  
Trustee

Saima Hussain  
Trustee

The notes on pages 15 to 22 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Cash Flows

Year ended 31 July 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	77,851	(24,790)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	17,374	14,315
Profit on investment	(12,336)	(36)
Bank charges	102	–
Accrued (income)/expenses	(112,258)	116,053
<i>Changes in:</i>		
Trade and other debtors	(150,210)	(71,641)
Trade and other creditors	(77,034)	(43,866)
Cash generated from operations	(256,511)	(9,965)
Bank charges	(102)	–
Profit on investment	12,336	36
Net cash used in operating activities	<u>(244,277)</u>	<u>(9,929)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(15,551)	(1,786)
Net cash used in investing activities	<u>(15,551)</u>	<u>(1,786)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(259,828)</b>	<b>(11,715)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>1,415,250</b>	<b>1,426,965</b>
<b>Cash and cash equivalents at end of year</b>	<b><u>1,155,422</u></b>	<b><u>1,415,250</u></b>

The notes on pages 15 to 22 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements

### Year ended 31 July 2023

#### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 1<sup>st</sup> Floor 277 St Ann's Road, London, N15 5RG.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	10% straight line
Fixture and fittings	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
<b>Donations</b>				
Donations	16,253	<b>16,253</b>	28,719	28,719
Just Giving Appeal	8,028	<b>8,028</b>	25,313	25,313
<b>Grants</b>				
Early years grant	343,065	<b>343,065</b>	384,905	384,905
Job retention grant	—	<b>—</b>	2,462	2,462
	<u>367,346</u>	<u><b>367,346</b></u>	<u>441,399</u>	<u>441,399</u>

#### 5. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
Tuition fees and school activities	933,138	<b>933,138</b>	707,081	707,081
Uniform and book sale	1,766	<b>1,766</b>	3,445	3,445
Other income from other charitable activities	7,766	<b>7,766</b>	6,252	6,252
	<u>942,670</u>	<u><b>942,670</b></u>	<u>716,778</u>	<u>716,778</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 6. Investment income

	Unrestricted Funds £	<b>Total Funds 2023 £</b>	Unrestricted Funds £	Total Funds 2022 £
Profit on investments	12,336	<b>12,336</b>	36	36

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2023 £</b>
Charitable activity	1,216,531	–	<b>1,216,531</b>
Support costs	27,970	–	<b>27,970</b>
	<u>1,244,501</u>	<u>–</u>	<u><b>1,244,501</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable activity	1,172,008	10,995	1,183,003
Support costs	–	–	–
	<u>1,172,008</u>	<u>10,995</u>	<u>1,183,003</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	<b>Total funds 2023 £</b>	Total fund 2022 £
Charitable activity	1,216,531	–	<b>1,216,531</b>	1,183,003
Governance costs	–	27,970	<b>27,970</b>	–
	<u>1,216,531</u>	<u>27,970</u>	<u><b>1,244,501</b></u>	<u>1,183,003</u>

#### 9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	<b>2023</b> £	2022 £
Depreciation of tangible fixed assets	<b>17,374</b>	14,315
Operating lease rentals	<b>766</b>	2,604

#### 10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2023</b> £	2022 £
Wages and salaries	<b>671,928</b>	685,397
Social security costs	<b>23,624</b>	41,922
Employer contributions to pension plans	<b>10,688</b>	13,163
	<u><b>706,240</b></u>	<u>740,482</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 10. Staff costs *(continued)*

The average head count of employees during the year was 46 (2022: 45).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

#### 11. Trustee remuneration and expenses

Three of the founding trustees hold additional roles in the organisation for which they are remunerated. The charity commission has approved this arrangement. Trustees, in the annual trustee meeting, decide remuneration in accordance with Charity Commission guideline.

#### 12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 August 2022	109,948	73,895	30,077	<b>213,920</b>
Additions	–	145	15,406	<b>15,551</b>
<b>At 31 July 2023</b>	<u>109,948</u>	<u>74,040</u>	<u>45,483</u>	<u><b>229,471</b></u>
<b>Depreciation</b>				
At 1 August 2022	42,595	65,804	28,205	<b>136,604</b>
Charge for the year	10,995	2,059	4,320	<b>17,374</b>
<b>At 31 July 2023</b>	<u>53,590</u>	<u>67,863</u>	<u>32,525</u>	<u><b>153,978</b></u>
<b>Carrying amount</b>				
<b>At 31 July 2023</b>	<u>56,358</u>	<u>6,177</u>	<u>12,958</u>	<u><b>75,493</b></u>
At 31 July 2022	<u>67,353</u>	<u>8,091</u>	<u>1,872</u>	<u>77,316</u>

#### 13. Debtors

	2023 £	2022 £
Trade debtors	<b>342,080</b>	191,870
Prepayments and accrued income	<b>2,251</b>	2,251
	<u><b>344,331</b></u>	<u>194,121</u>

#### 14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	<b>54,804</b>	26,512
Accruals and deferred income	<b>3,795</b>	116,053
Social security and other taxes	<b>21,151</b>	15,421
Qard-e-Hasana	<b>68,000</b>	126,500
Other creditors	<b>16,184</b>	68,740
	<u><b>163,934</b></u>	<u>353,226</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 15. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £10,688 (2022: £13,163).

#### 16. Analysis of charitable funds

##### Unrestricted funds

	At 1 August 2022	Income £	Expenditure £	At 31 July 2023 £
General funds	608,437	1,322,352	(1,244,501)	<u>686,288</u>

	At 1 August 2021	Income £	Expenditure £	At 31 July 2022 £
General funds	622,232	1,158,213	(1,172,008)	<u>608,437</u>

##### Restricted funds

	At 1 August 2022	Income £	Expenditure £	At 31 July 2023 £
Restricted Fund	725,024	—	—	<u>725,024</u>

	At 1 August 2021	Income £	Expenditure £	At 31 July 2022 £
Restricted Fund	736,019	—	(10,995)	<u>725,024</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2023

#### 17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	75,493	–	<b>75,493</b>
Current assets	1,499,753	–	<b>1,499,753</b>
Creditors less than 1 year	(163,934)	–	<b>(163,934)</b>
<b>Net assets</b>	<b>1,411,312</b>	<b>–</b>	<b>1,411,312</b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	9,963	67,353	77,316
Current assets	951,700	657,671	1,609,371
Creditors less than 1 year	(353,226)	–	(353,226)
<b>Net assets</b>	<b>608,437</b>	<b>725,024</b>	<b>1,333,461</b>

#### 18. Analysis of changes in net debt

	At 1 Aug 2022 £	Cash flows £	At 31 Jul 2023 £
Cash at bank and in hand	<u>1,415,250</u>	<u>(259,828)</u>	<u>1,155,422</u>

# **ISLAMIC SHAKHSIYAH FOUNDATION**

**Management Information**

**Year ended 31 July 2023**

**The following pages do not form part of the financial statements.**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2023

	2023 £	2022 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	16,253	28,719
Just Giving Appeal	8,028	25,313
Early years grant	343,065	384,905
Job retention grant	—	2,462
	<u>367,346</u>	<u>441,399</u>
<b>Charitable activities</b>		
Tuition fees and school activities	933,138	707,081
Uniform and book sale	1,766	3,445
Other income from other charitable activities	7,766	6,252
	<u>942,670</u>	<u>716,778</u>
<b>Investment income</b>		
Profit on investment	12,336	36
	<u>12,336</u>	<u>36</u>
<b>Total income</b>	<u><u>1,322,352</u></u>	<u><u>1,158,213</u></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 July 2023

	2023 £	2022 £
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	671,928	685,397
Employer's NIC	23,624	41,922
Pension costs	10,688	13,163
Operating leases	766	2,604
Rates and water	234,654	177,414
Light and heat	14,569	7,267
Repairs and maintenance	8,027	18,159
Insurance	8,850	9,804
Other establishment	42,368	39,016
Legal and professional fees	78,970	31,914
Telephone	3,140	4,511
Depreciation	17,374	14,315
Bank charges	102	–
Resources purchase	18,110	32,967
Uniform costs	1,553	3,521
Milk expenses	4,593	2,089
Printing, postage and stationery	14,760	6,347
School event charges	8,726	33,218
Ofsted charges and subscriptions	12,183	12,644
General expenses	39,107	10,050
Cost of PE Lessons	1,677	16,958
Bad Debts	26,706	16,412
Staff training	1,455	2,251
Website and advertising	571	1,060
	<u>(1,244,501)</u>	<u>(1,183,003)</u>
<b>Total expenditure</b>	<u><u>1,244,501</u></u>	<u><u>1,183,003</u></u>
<b>Net income/(expenditure)</b>	<u><u>77,851</u></u>	<u><u>(24,790)</u></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Detailed Statement of Financial Activities

Year ended 31 July 2023

	2023 £	2022 £
<b>Expenditure on charitable activities</b>		
<i><b>Activities undertaken directly</b></i>		
Wages/salaries	671,928	685,397
Employer's NIC	23,624	41,922
Pension costs	10,688	13,163
Operating leases	766	2,604
Rent, rates and service charges	234,654	177,414
Light & heat	14,569	7,267
Repairs & maintenance	8,027	18,159
Insurance	8,850	9,804
Cleaning	42,368	39,016
Legal and professional fees	51,000	31,914
Telephone	3,140	4,511
Depreciation	17,374	14,315
Bank charges	102	–
Resources purchases	18,110	32,967
Uniform costs	1,553	3,521
Milk expenses	4,593	2,089
Printing, postage and stationery	14,760	6,347
School event charges	8,726	33,218
Ofsted charges and subscriptions	12,183	12,644
General expenses	39,107	10,050
Cost of PE Lessons	1,677	16,958
Bad Debts	26,706	16,412
Staff training	1,455	2,251
Website and advertising	571	1,060
	<u>1,216,531</u>	<u>1,183,003</u>
<b>Governance costs</b>		
Accountancy fees	10,371	–
Legal and other professional fees	16,954	–
Financial advice	645	–
	<u>27,970</u>	<u>–</u>
<b>Expenditure on charitable activities</b>	<u><u>(1,244,501)</u></u>	<u><u>(1,183,003)</u></u>

**ISLAMIC SHAKHSIYAH FOUNDATION**

England & Wales - Charity number 1155314

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# Accounts

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CHARITY REGISTRATION NUMBER: 1155314

**ISLAMIC SHAKHSIYAH FOUNDATION**  
**Financial Statements**  
**31 July 2022**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

## Financial Statements

Year ended 31 July 2022

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# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2022

The trustees present their report and the financial statements of the charity for the year ended 31 July 2022.

#### Reference and administrative details

**Registered charity name** ISLAMIC SHAKHSIYAH FOUNDATION

**Charity registration number** 1155314

**Principal office** 1<sup>st</sup> Floor  
277 St Ann's Road  
London  
N15 5RG

**The trustees** Farah Ahmed  
Foziya Reddy  
Nadia Ameen  
Saima Hussein  
Basma Elshayyal- resigned on 01<sup>st</sup> March 2022  
Duaa Karim – appointed on 01<sup>st</sup> April 2022

**Auditor** Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon  
CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 July 2022



SHAKHSIYAH  
SCHOOLS

## Islamic Shakhshiyah Foundation

*Charitable Incorporated Organisation Registered Number: 1155314*

### Trustees Annual Report 1<sup>st</sup> August 2021 – 31<sup>st</sup> July 2022

Welcome to Islamic Shakhshiyah Foundation's Trustees' Annual Report, which sets out for our supporters and the general public what our charity has achieved in the past twelve months, and our future plans. This report outlines some key achievements and identifies areas for development in the coming year.

#### Introductory Matters

##### Aim and purposes

Islamic Shakhshiyah Foundation is an educational charitable trust set up by Muslim mothers to provide an alternative holistic Islamic education for Muslim children. Islamic Shakhshiyah Foundation ('the Charity') was entered on the Commission's Register of Charities on 2 December 2005 and is governed by a trust deed dated 23 November 2005 and amended on 12<sup>th</sup> May 2011. On 14<sup>th</sup> January 2014 a new Charitable Incorporated Organisation was registered. The two charities ran in parallel until 29<sup>th</sup> May 2015 when the charitable trust was dissolved. However, due to an administrative error the charitable trust remained on the Charity Commission's register until 4<sup>th</sup> December 2015.

Islamic Shakhshiyah Foundation is now a charitable incorporated organization, incorporated on 14<sup>th</sup> January 2014 with the registered charity number of 1155314.

**Islamic Shakhshiyah Foundation** is a grassroots education initiative based in and around London. The foundation is the product of the dedicated efforts and sincere *niyah* (intention) of Muslim mothers. At the core of our work is a synthesis of Classical Islamic education and carefully selected modern educational strategies that are in line with Islamic principles of holism and character development embodied in the terms, *Tarbiyah, T'alim and T'adib*.

##### Charity objects:

The trustees must apply the income of the charity in furthering the following objects:

- 1) For the public benefit to advance education in accordance with the principles and practices of *Holistic Islamic Education* in general and the *Shakhshiyah Education Framework* in particular, through:
  - a. the provision, support and maintenance of schools ("ISF Schools"); and

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

- b. the provision of bursaries, grants or other forms of assistance to enable individuals to attend or study at ISF Schools who would not otherwise be able to afford to do so.
- 2) For the public benefit to advance the Islamic religion in accordance with the four Sunni schools of thought.
- 3) For the public benefit to advance the education of the public in the principles and practices of *Holistic Islamic Education* in general and the *Shakhsiyah Education Framework* in particular."

Islamic Shakhsiyah Foundation runs two faith-based independent schools in Slough (Primary) and Haringey (through school from Nursery to Secondary KS3). The foundation also runs Tifly Daycare in Haringey. The Foundation is involved in the propagation of Islam in accordance with the four Sunni schools of thought; this includes research in philosophy and pedagogy of holistic Islamic education, dissemination of research and the production of curricula, within the theological framework of the four Sunni schools of thought. The Foundation also runs a programme of Islamic teacher education courses both online and in person. The Foundation provides other services to the community including various classes and community events.

### Structure and Governance:

#### Trustees

The charity's trustees for the period were:

Mrs. Farah Ahmed - BA honours, PGCE, MEd, PhD, FCCT (Chair of Trustees)

Mrs. Foziya Reddy - BA honours, PGCE

Mrs. Nadia Ameen - BA Linguistics

Ms Duaa Karim - BA honours, MSc, and ACCA

Ms Saima Hussain - BSc honours

#### Recruitment of Trustees

Trustees are recruited in accordance with the governing document, and all necessary safeguarding checks are carried out. Trustees are issued with the charity commission's guidance document for new trustees, and annually complete essential safeguarding and other relevant training.

#### Trustees Remuneration

The trustee roles are volunteer roles. However, as the charity grew out of a number of homeschooling initiatives, two of the founding trustees listed below also hold additional roles in the organization for which they are remunerated. The Charity Commission has approved this arrangement. Trustees, in an annual trustee meeting, decide remuneration in accordance with Charity Commission guidelines.

Farah Ahmed: Director of Education and Research – Paid on an hourly consultancy basis.

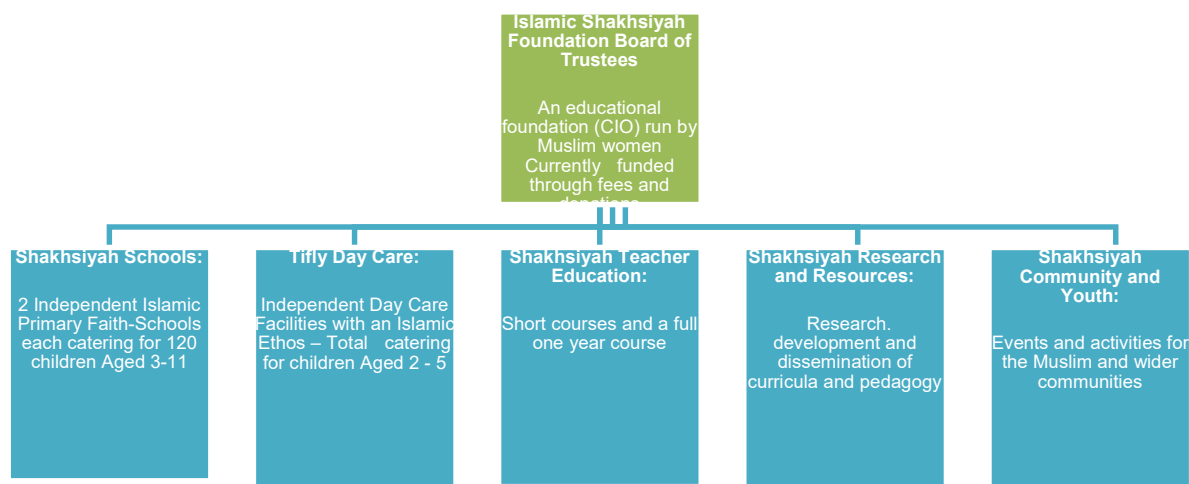
Nadia Ameen: Deputy Head teacher and Head of Arabic, Shakhsiyah School, London and Slough – Full-time

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2022

### Structure of Organisation



### Public Benefit:

Shakhshiyah Schools charge fees well below the market rate in order to provide parents from deprived communities the choice of an alternative holistic Islamic education for their children. The foundation also subsidizes its teacher education courses to provide affordable continuous professional development to teachers.

### Vision and Mission Statement

***Our children are the future of our Deen and our community.***

Our community will need leaders with a clear understanding of Islamic principles and doctrines; as we strive to maintain our Islam in the midst of confusion. Therefore, they will need the *tarbiyah* (Character education) that will enable them to become committed Muslims and committed citizens:

- Committed to Allah
- Committed to their Family
- Committed to their local Community
- Committed to Community Cohesion
- Committed to the *Ummah* (Global Muslim Community)
- Committed to Humanity

The role of Islamic Shakhshiyah Foundation is to develop *Shakhshiyah Islamiyah* (personal Islamic character) in every child and adult we engage with.

### History

In 1998 five Muslim mothers in West London and Slough organised a home-schooling group for their young children aged between 3-5 years old. The following year mothers from North and East London joined in. This was the starting point of Islamic Shakhshiyah Foundation. As women from a huge variety of backgrounds, housewives, teachers and other professionals we engaged in a prolonged and thorough discussion of what we wanted to achieve. This discussion centered on the fundamental question which continues to guide our work: **‘What is Islamic education?’**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

We came to realise that the most valuable Islamic Education Model will not be a remedial solution to the problems faced by 'minority' communities. It will not add Islamic values and thought into existing contemporary models of education. This may be the easiest and most obvious way of proceeding, but it certainly will not lead to the desired outcomes we had set ourselves. The Islamic belief of the purpose of life is fundamentally in opposition to the secular belief. The secular education system therefore has fundamentally different goals to the Islamic education system. It is not sufficient to insert some Islamic aspects into secular systems. What is clear is that everything must be questioned, from the concept of school to the concept of the teacher and the curriculum and examined in light of Islamic educational principles of holism and character development.

We began to explore modern concepts and approaches to education along with the established Islamic principles. This has led to a synthesis of classical Islamic education with the modern approaches that reflect Islamic principles; resulting in a new and unique approach to primary education for Muslim children called '**Shakhsiyah Education**'.

As an organisation led by Muslim women we have a nurturing organic ethos rooted in the needs of the local community. Our efforts are led by a sincere *niyah* and internal motivation as opposed to the dominant target driven 'business' culture. We believe strongly that this is a reflection of Islamic principles and seek to uphold this in our future development *inshaAllah*. Islamic Shakhsiyah Foundation continues to engage in research and development by funding research into Halaqah as an Islamic pedagogy through a PhD in 'Educational Research' at the University of Cambridge. The findings of this PhD are being widely disseminated and influencing schools across the world.

### Charity Activities and Achievements 2021-22

#### Principles of Shakhsiyah Education

Our ethos as an organisation is set out in a booklet that explains the principles of *Shakhsiyah Education*. This is an important resource for all staff and members of the public who wish to understand our educational theory. These principles guide the work of the schools and all other activities of the foundation.



#### Shakhsiyah Schools and Tifly Day Care

Shakhsiyah schools and Tifly Day Care continue their important work in educating young Muslim children with the educational philosophy of the principles of *Shakhsiyah Education*. The senior leadership team continue to lead the schools and work with staff and parents to provide education in line with the Shakhsiyah Principles.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

Due to changing circumstances for long term SLT, an Executive Head Teacher role has been created and filled. The new EHT has begun induction. Trustees hope this strengthened leadership will provide further expertise in meeting the Charity's objectives.

#### Slough School Premises

Having relocated Shakhsiyah School, Slough to Cippenham Lodge in an emergency in March 2019, ISF successfully applied for planning permission for change of use for Cippenham Lodge, Cippenham Lane, Slough, SL1 5AN. However, planning permission being actioned is dependent upon the landlord's consent. ISF continues to pay rent and occupy the building. Landlord has decided not to sell the property. ISF is in negotiations for a long term lease with the landlord.

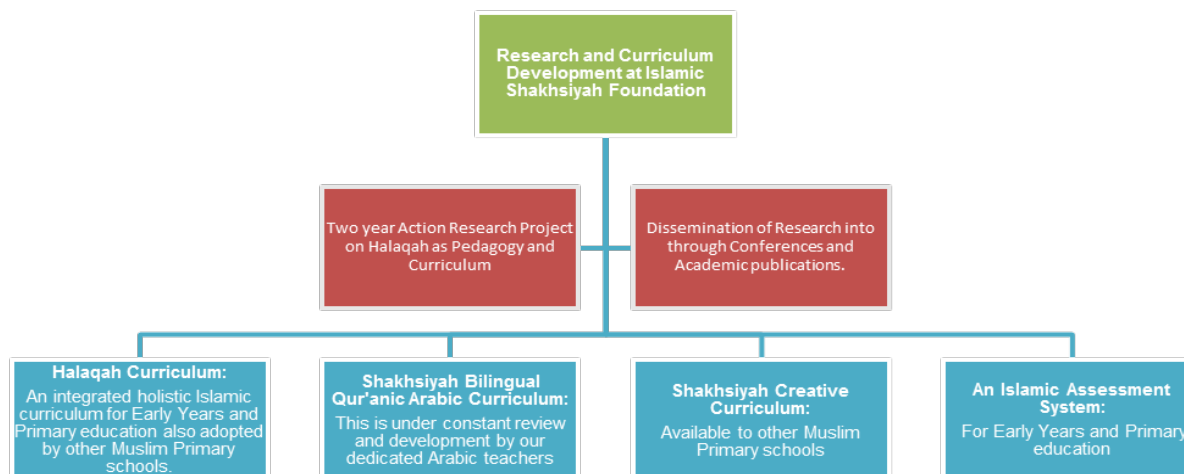
#### School Admissions

Whilst admissions are still a minor concern in Shakhsiyah School, London, there is a clear upward trajectory.



#### Shakhsiyah Research and Resources

Through our research and educational resources, we are synthesising Islamic and 'Modern' Education to generate *Tarbiyah*, *T'alim* and *T'adib* for the 21<sup>st</sup> Century. Our goals are given in the diagram below.



# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2022

### Research Publications:

New publications from Farah Ahmed's ISF funded PhD:

Ahmed, F. (2021) Authority, autonomy and selfhood in Islamic education – Theorising Shakhsiyah Islamiyah as a dialogical Muslim-self, Educational Philosophy and Theory, DOI:

10.1080/00131857.2020.1863212

### Shakhsiyah Curricular Resources:



There was further development of Arabic and Art Curricular resources

### Shakhsiyah Teacher Education

Farah Ahmed is using her PhD work to develop an international online teacher professional development platform which supports teachers across the world to use the Shakhsiyah principles to transform their practice, with a particular focus on dialogic halaqah.

Shakhsiyah Schools have entered into a partnership with Cambridge Enterprise for the IELC Platform.



### Shakhsiyah Community and Shakhsiyah Youth

The foundation continues to work within the local community in order to meet our objectives. The foundation hired a community and fundraising officer to support the community and youth work. A number of online events and face-to-face events were held.

### Mustafa Ali Sadiq Scholarship Fund

In July 2014, the foundation's trustees agreed to the launch of the Mustafa Ali Sadiq Scholarship fund in by the family of Mustafa Ali Sadiq. Mustafa was a student at Shakhsiyah schools who sadly died in June 2014 at the tender age of ten. His family is very grateful to the foundation for the support provided to them during this difficult year and to Shakhsiyah Schools in helping to develop a beautiful character in Mustafa, which enabled him to endure a terrible illness with patience and dignity. Thus, a pledge was made by the family to fund the education of another child in Mustafa's memory as a

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

*sadaqah jaariyah* for Mustafa, and a fund was created for anyone to donate to this cause. A scholarship was awarded to one child for the academic years 2014-15.

The scholarship fund is reported separately in the trial balance.

#### Scholarship Income:

July 2014: **£5,331.53**

Aug 2014 – July 2015: **£3,525.25**

Aug 2015 – July 2016: **£7,441.53**

Aug 2016 – July 2017: **£3,880**

Aug 2017 – July 2018: **£3,660**

Aug 2018 – July 2019: **£1,405**

Aug 2019 – July 2020: **£860**

Aug 2020- July 2021: **£NIL**

Aug 2021 – July 2022 **£NIL**

The total raised to date is **£25,243.31**

#### Scholarship Expenditure:

**£6,240** was spent on fees for 2014-15 and 2015-16 during the 2015-16 accounting period.

**£3,360** has been spent on fees for 2016-17 during the 2016-17 accounting period.

**£3,480** has been spent on fees for 2017-18 during the 2017-18 accounting period.

**£0** has been spent on fees during the 2018-19 accounting period.

**£0** has been spent on fees during the 2019-20 accounting period.

**£0** has been spent on fees during the 2020-21 accounting period.

**£0** has been spent on fees during the 2021-22 accounting period.

The total expenditure to date is: **£13,080**

Over **£13,023.31** is held in reserve.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

#### Future Plans for 2022-23

The foundation is seeking to do the following over the coming year:

#### Shakhsiyah Schools and Tifly Daycare

1. Re-launch Tifly Daycare or Secondary provision in Slough
2. Continue to establish a strong secondary provision in Shakhsiyah School, London

#### Shakhsiyah Research and Resources and Shakhsiyah Teacher Education

- 1.
2. Continue Curriculum Development
3. Run more short courses and/or webinars

#### Shakhsiyah Community, Shakhsiyah Youth and Fundraising

1. Continue to build a team of volunteers.
2. Involve more young alumni of Shakhsiyah schools in organizing youth projects

#### Concerns and Risks in the Present & Coming Year

1. Planning works to be completed for the Slough School to effectively meet all regulatory standards
2. Changes in the School's senior leadership require rethinking the organisational structure
3. Some of the foundation's other projects, stalled during the pandemic, need to be prioritised when possible.
4. The charity has reserve of £554,405 which trustees believe is sufficient to support the Charity operations in near future.

#### Financial Review:

The charity's accounts for the 12 months period ending 31 July 2022 show an income of £1,158,213 and expenditure of £1,183,003. There was a significant decrease in donations to the charity as charity was focusing on the establishment of the new premises.

The major part of expenditure is spent on staff salaries. An amount of £685,397 was paid out as salaries for the school staff and training cost was £2,251. As the current buildings are rented, rates and service charges were £177,414 and the insurance and building maintenance amounted to £18,159. A detailed break up of all the expenses is given under notes to the financial statements.

#### Principle Funding Sources

The charity is mainly funded through school fees. These are well below the market rate in order to maintain public benefit. A secondary income is through donations and funding from Local authorities.

#### Banking and Legal Details

The charity has a main income and expenditure bank account held at Barclays Bank, Wood Green Branch. The charity also has three further savings accounts, maintained to deposit donations (including scholarship donations), held at Al Rayan Bank, Whitechapel branch.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

The Saleemi Associates (Chartered Accountants & Statutory Auditor) of 792 Wickham Road, Croydon, CR0 8EA were appointed as auditors to carry out the audit of the financial statements.

Furthermore, the charity takes legal advice from Ahmad Thomson of Wynne Chambers, 5 Kimberley Road, London NW6 7SG and Kuddus Solicitors, 94 Whitechapel Road, London E1 1JQ

### Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £80,000, to cover emergency situations that may arise from time to time. The balance of £554,405 held on unrestricted funds, at the yearend has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate risk investments. All the investment decisions have to be authorised by all the trustees.

### Investments

The charity had no investments during the accounting period. Donations are kept in a savings account with Al Rayan bank.

### Financial Challenges

The charity does not currently have the full funds necessary to purchase a school building outright, which means that substantial amounts are paid out in rent. Due to the organic growth of the schools, the rental and other Building costs continue to increase. Purchasing Cippenham Lodge or signing a new long-term lease continues to be the charity's priority. The London School's' premises lease is expiring and needs to be renegotiated.

### Future Plans

The charity needs to put together a long-term strategy to increase income and generate regular amounts through planned fundraising. The charity should consider investing any surplus funds to generate a profit. The charity will therefore need to develop an investment policy. The new EHT will be working with the Operations Team on diversifying income in the coming year.

### Grants

The Charity does not issue grants but does assist parents by reducing fees in hardship cases. This is determined through assessing parents' income and need. A scholarship linked to the charity has been set up in the name of Mustafa Ali Sadiq, to fund a small number of children to attend the school.

### Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the 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 applicable Charities SORP;

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2022

- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 25<sup>th</sup> May 2023 and signed on behalf of the board of trustees by:

Duaa Karim  
Trustee

Saima Hussain  
Trustee

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

Year ended 31 July 2022

### Opinion

We have audited the financial statements of Islamic Shakhsiyah Foundation (the 'charity') for the year ended 31 July 2022 which comprise Statement of Financial Activities and Statement of Financial Position 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 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

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

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2022

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.

#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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**

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. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, GDPR, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION *(continued)*

### Year ended 31 July 2022

Our audit procedure were designed to response to those identified risk, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but were not limited to:

- Discussing with the trustees and management their policies and procedure regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit ; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon  
CR0 8EA

Date :

Saleemi Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Activities

Year ended 31 July 2022

		2022	2021		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	441,399	–	<b>441,399</b>	374,115
Charitable activities	5	716,778	–	<b>716,778</b>	872,990
Investment income	6	36	–	<b>36</b>	7,776
<b>Total income</b>		<u>1,158,213</u>	<u>–</u>	<u><b>1,158,213</b></u>	<u>1,254,881</u>
<b>Expenditure</b>					
Expenditure on charitable activities	7,8	(1,172,008)	(10,995)	<b>(1,183,003)</b>	(925,261)
<b>Total expenditure</b>		<u>1,172,008</u>	<u>10,995</u>	<u><b>1,183,003</b></u>	<u>925,261</u>
<b>Net (expenditure)/income and net movement in funds</b>		<u>(13,795)</u>	<u>(10,995)</u>	<u><b>(24,790)</b></u>	<u>329,620</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>622,232</u>	<u>736,019</u>	<u><b>1,358,251</b></u>	<u>1,028,631</u>
<b>Total funds carried forward</b>		<u>608,437</u>	<u>725,024</u>	<u><b>1,333,461</b></u>	<u>1,358,251</u>

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

The notes on pages 18 to 25 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Position

31 July 2022

	Note	2022 £	£	2021 £
<b>Fixed assets</b>				
Tangible fixed assets	12		77,316	89,845
<b>Current assets</b>				
Debtors	13	194,121		122,480
Cash at bank and in hand		1,415,250		1,426,965
		<u>1,609,371</u>		<u>1,549,445</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>353,226</u>		<u>281,039</u>
<b>Net current assets</b>			<u>1,256,145</u>	<u>1,268,406</u>
<b>Total assets less current liabilities</b>			<u>1,333,461</u>	<u>1,358,251</u>
<b>Net assets</b>			<u>1,333,461</u>	<u>1,358,251</u>
<b>Funds of the charity</b>				
Restricted funds			725,024	736,019
Unrestricted funds			608,437	622,232
<b>Total charity funds</b>	16		<u>1,333,461</u>	<u>1,358,251</u>

These financial statements were approved by the board of trustees and authorised for issue on 25<sup>th</sup> May 2023, and are signed on behalf of the board by:

Duaa Karim  
Trustee

Saima Hussain  
Trustee

The notes on pages 18 to 25 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Cash Flows

Year ended 31 July 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net (expenditure)/income	(24,790)	329,620
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	14,315	15,023
Other interest receivable and similar income	(36)	(7,776)
Accrued expenses/(income)	116,053	(129,751)
<i>Changes in:</i>		
Stocks	-	2,672
Trade and other debtors	(71,641)	(84,718)
Trade and other creditors	(43,866)	157,843
Cash generated from operations	(9,965)	282,913
Profit on investment	36	7,776
Net cash (used in)/from operating activities	<u>(9,929)</u>	<u>290,689</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(1,786)	(454)
Net cash used in investing activities	<u>(1,786)</u>	<u>(454)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(11,715)</b>	290,235
<b>Cash and cash equivalents at beginning of year</b>	<b>1,426,965</b>	1,136,731
<b>Cash and cash equivalents at end of year</b>	<b><u>1,415,250</u></b>	<b><u>1,426,965</u></b>

The notes on pages 18 to 25 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements

### Year ended 31 July 2022

#### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 1<sup>st</sup> Floor 277 St Ann's Road, London, N15 5RG.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	10% straight line
Fixture and fittings	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations	28,719	–	<b>28,719</b>
Just Giving Appeal	25,313	–	<b>25,313</b>
LaunchGood appeals	–	–	–
<b>Grants</b>			
Early years grant	384,905	–	<b>384,905</b>
Job retention grant	2,462	–	<b>2,462</b>
Other grants	–	–	–
	<u>441,399</u>	<u>–</u>	<u><b>441,399</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	–	16,909	16,909
Just Giving Appeal	–	58,517	58,517
LaunchGood appeals	–	15,987	15,987

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Grants</b>			
Early years grant	258,017	–	258,017
Job retention grant	4,258	–	4,258
Other grants	20,427	–	20,427
	<u>282,702</u>	<u>91,413</u>	<u>374,115</u>

#### 5. Charitable activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Tuition fees and school activities	707,081	<b>707,081</b>	869,827	869,827
Uniform and book sale	3,445	<b>3,445</b>	2,117	2,117
Other income from other charitable activities	6,252	<b>6,252</b>	1,046	1,046
	<u>716,778</u>	<u><b>716,778</b></u>	<u>872,990</u>	<u>872,990</u>

#### 6. Investment income

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Profit on investment	36	<b>36</b>	7,776	7,776

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
<b>Charitable Activities</b>	<u>1,172,008</u>	<u>10,995</u>	<u><b>1,183,003</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable Activities	<u>914,069</u>	<u>11,192</u>	<u>925,261</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	<b>Total funds 2022 £</b>	Total fund 2021 £
<b>Charitable Activities</b>	<u>1,183,003</u>	<u><b>1,183,003</b></u>	<u>925,261</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	<b>2022</b>	2021
	£	£
Depreciation of tangible fixed assets	<b>14,315</b>	15,023
Operating lease rentals	<b>2,604</b>	3,112

#### 10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>685,397</b>	<b>539,083</b>
Social security costs	<b>41,922</b>	<b>27,889</b>
Employer contributions to pension plans	<b>13,163</b>	<b>7,911</b>
	<b>740,482</b>	<b>574,883</b>

The average head count of employees during the year was 45 (2021: 40).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### 11. Trustee remuneration and expenses

Three of the founding trustees hold additional roles in the organisation for which they are remunerated. The charity commission has approved this arrangement. Trustees, in the annual trustee meeting, decide remuneration in accordance with Charity Commission guideline.

#### 12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 August 2021	109,948	72,233	29,953	<b>212,134</b>
Additions	–	1,662	124	<b>1,786</b>
<b>At 31 July 2022</b>	<b>109,948</b>	<b>73,895</b>	<b>30,077</b>	<b>213,920</b>
<b>Depreciation</b>				
At 1 August 2021	31,600	63,108	27,581	<b>122,289</b>
Charge for the year	10,995	2,696	624	<b>14,315</b>
<b>At 31 July 2022</b>	<b>42,595</b>	<b>65,804</b>	<b>28,205</b>	<b>136,604</b>
<b>Carrying amount</b>				
<b>At 31 July 2022</b>	<b>67,353</b>	<b>8,091</b>	<b>1,872</b>	<b>77,316</b>
At 31 July 2021	78,348	9,125	2,372	89,845

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 13. Debtors

	2022	2021
	£	£
Trade debtors	191,870	120,229
Prepayments and accrued income	2,251	2,251
	<u>194,121</u>	<u>122,480</u>

#### 14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	26,512	20,961
Accruals and deferred income	116,053	–
Social security and other taxes	15,421	11,048
Qard-e-Hasana	126,500	207,500
Other creditors	68,740	41,530
	<u>353,226</u>	<u>281,039</u>

#### 15. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £13,163 (2021: £7,911).

#### 16. Analysis of charitable funds

##### Unrestricted funds

	At 1 August 2021	Income £	Expenditure £	At 31 July 2022 £
General funds	622,232	1,158,213	(1,172,008)	<u>608,437</u>

	At 1 August 2020	Income £	Expenditure £	At 31 July 2021 £
General funds	372,833	1,163,468	(914,069)	<u>622,232</u>

##### Restricted funds

	At 1 August 2021	Income £	Expenditure £	At 31 July 2022 £
Restricted Fund	736,019	–	(10,995)	<u>725,024</u>

	At 1 August 2020	Income £	Expenditure £	At 31 July 2021 £
Restricted Fund	655,798	91,413	(11,192)	<u>736,019</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2022

#### 17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	9,963	67,353	<b>77,316</b>
Current assets	951,700	657,671	<b>1,609,371</b>
Creditors less than 1 year	(353,226)	–	<b>(353,226)</b>
<b>Net assets</b>	<u>554,405</u>	<u>779,056</u>	<u><b>1,333,461</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	11,497	78,348	89,845
Current assets	891,774	657,671	1,549,445
Creditors less than 1 year	(281,039)	–	(281,039)
Creditors greater than 1 year	–	–	–
<b>Net assets</b>	<u>622,232</u>	<u>736,019</u>	<u>1,358,251</u>

#### 18. Analysis of changes in net debt

	At 1 Aug 2021 £	Cash flows £	At 31 Jul 2022 £
Cash at bank and in hand	<u>1,426,965</u>	<u>(11,715)</u>	<u><b>1,415,250</b></u>

# **ISLAMIC SHAKHSIYAH FOUNDATION**

**Management Information**

**Year ended 31 July 2022**

**The following pages do not form part of the financial statements.**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2022

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	28,719	16,909
Just Giving Appeal	25,313	58,517
LaunchGood appeals	–	15,987
Early years grant	384,905	258,017
Job retention grant	2,462	4,258
Other grants	–	20,427
	<u>441,399</u>	<u>374,115</u>
<b>Charitable activities</b>		
Tuition fees and school activities	707,081	869,827
Uniform and book sale	3,445	2,117
Other income from other charitable activities	6,252	1,046
	<u>716,778</u>	<u>872,990</u>
<b>Investment income</b>		
Profit on investment	36	7,776
	<u>36</u>	<u>7,776</u>
<b>Total income</b>	<u><u>1,158,213</u></u>	<u><u>1,254,881</u></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 July 2022

	2022 £	2021 £
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	<b>685,397</b>	539,083
Employer's NIC	<b>41,922</b>	27,889
Pension costs	<b>13,163</b>	7,911
Operating leases	<b>2,604</b>	3,112
Rates and water	<b>177,414</b>	187,030
Light and heat	<b>7,267</b>	5,230
Repairs and maintenance	<b>18,159</b>	14,429
Insurance	<b>9,804</b>	13,643
Premises cleaning	<b>39,016</b>	31,348
Legal and professional fees	<b>31,914</b>	–
Telephone	<b>4,511</b>	3,031
Depreciation	<b>14,315</b>	15,023
Resources purchases	<b>32,967</b>	15,551
Uniform costs	<b>3,521</b>	6,930
Milk expenses	<b>2,089</b>	1,409
Printing, postage and stationery	<b>6,347</b>	8,496
School event charges	<b>33,218</b>	10,988
Ofsted charges and subscriptions	<b>12,644</b>	9,203
General expenses	<b>10,050</b>	16,532
Cost of PE Lessons	<b>16,958</b>	15,619
Computer costs	<b>–</b>	3,144
Bad Debts	<b>16,412</b>	(15,000)
Staff training	<b>2,251</b>	3,342
Website and advertising	<b>1,060</b>	1,318
	<b>(1,183,003)</b>	(925,261)
<b>Total expenditure</b>	<b>1,183,003</b>	925,261
<b>Net (expenditure)/income</b>	<b>(24,790)</b>	329,620



**ISLAMIC SHAKHSIYAH FOUNDATION**

England & Wales - Charity number 1155314

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# Accounts

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CHARITY REGISTRATION NUMBER: 1155314

**ISLAMIC SHAKHSIYAH FOUNDATION**  
**Financial Statements**  
**31 July 2021**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

## Financial Statements

Year ended 31 July 2021

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Independent auditor's report to the members	<b>13</b>
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# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021

The trustees present their report and the financial statements of the charity for the year ended 31 July 2021.

### Reference and administrative details

**Registered charity name** ISLAMIC SHAKHSIYAH FOUNDATION

**Charity registration number** 1155314

**Principal office** 1<sup>st</sup> Floor  
277 St Ann's Road  
London  
N15 5RG

**The trustees** Farah Ahmed  
Foziya Reddy  
Nadia Ameen  
Saima Hussein  
Basma Elshayyal- resigned on 01<sup>st</sup> March 2022

**Auditor** Saleemi Associates  
Chartered accountant & statutory auditor  
792 Wickham Road  
Croydon  
CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021



**Islamic Shakhsiyah Foundation**  
*Charitable Incorporated Organisation Registered Number: 1155314*

### **Trustees Annual Report 1st August 2020 – 31st July 2021**

Welcome to Islamic Shakhsiyah Foundation's Trustees' Annual Report, which sets out for our supporters and the general public what our charity has achieved in the past twelve months, and our future plans. The COVID pandemic, continues to impact our charitable work in many ways. This report outlines some key achievements and identifies areas for development in the coming year.

#### **Introductory Matters**

##### **Aim and purposes**

Islamic Shakhsiyah Foundation is an educational charitable trust set up by Muslim mothers to provide an alternative holistic Islamic education for Muslim children. Islamic Shakhsiyah Foundation ('the Charity') was entered on the Commission's Register of Charities on 2 December 2005 and is governed by a trust deed dated 23 November 2005 and amended on 12th May 2011. On 14th January 2014 a new Charitable Incorporated Organisation was registered. The two charities ran in parallel until 29th May 2015 when the charitable trust was dissolved. However, due to an administrative error the charitable trust remained on the Charity Commission's register until 4th December 2015.

Islamic Shakhsiyah Foundation is now a charitable incorporated organization, incorporated on 14th January 2014 with the registered charity number of 1155314.

Islamic Shakhsiyah Foundation is a grassroots education initiative based in and around London. The foundation is the product of the dedicated efforts and sincere niyah (intention) of Muslim mothers. At the core of our work is a synthesis of Classical Islamic education and carefully selected modern educational strategies that are in line with Islamic principles of holism and character development embodied in the terms, Tarbiyah, T'alim and T'adib.

##### **Charity objects:**

The trustees must apply the income of the charity in furthering the following objects:

- 1) For the public benefit to advance education in accordance with the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular, through:
  - a. the provision, support and maintenance of schools ("ISF Schools"); and

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2021

- b. the provision of bursaries, grants or other forms of assistance to enable individuals to attend or study at ISF Schools who would not otherwise be able to afford to do so.
- 2) For the public benefit to advance the Islamic religion in accordance with the four Sunni schools of thought.
  
- 3) For the public benefit to advance the education of the public in the principles and practices of Holistic Islamic Education in general and the Shakhsiyah Education Framework in particular.”

Islamic Shakhsiyah Foundation runs two faith-based independent primary schools Slough and Haringey. Previously the foundation also ran Tifly Daycare in Slough and Haringey. Since 2016 only the Haringey branch has been in operation; the Foundation intends to re-open the Slough branch when feasible. The Foundation is involved in the propagation of Islam in accordance with the four Sunni schools of thought; this includes research in philosophy and pedagogy of holistic Islamic education, dissemination of research and the production of curricula, within the theological framework of the four Sunni schools of thought. The Foundation also runs a programme of Islamic teacher education courses, which this year were mainly conducted in house. The Foundation provides other services to the community including various classes and community events.

### Structure and Governance:

#### Trustees

The charity's trustees for the period were:

Mrs. Farah Ahmed BA hon's, PGCE, MEd, PhD, FCCT (Chair of Trustees)

Mrs. Foziya Reddy BA hon's, PGCE

Mrs. Nadia Ameen BA Linguistics

Ms Saima Hussain

Ms Basma Elshayyal- resigned on 01<sup>st</sup> March 2022

#### Recruitment of Trustees

Trustees are recruited in accordance with the governing document, and all necessary safeguarding checks are carried out. Trustees are issued with the charity commission's guidance document for new trustees, and occasionally attend training events.

#### Trustees Remuneration

The trustee roles are volunteer roles. However, as the charity grew out of a number of home-schooling initiatives, three of the founding trustees listed below also hold additional roles in the organization for which they are remunerated. The Charity Commission has approved this arrangement. Trustees, in an annual trustee meeting, decide remuneration in accordance with Charity Commission guidelines.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

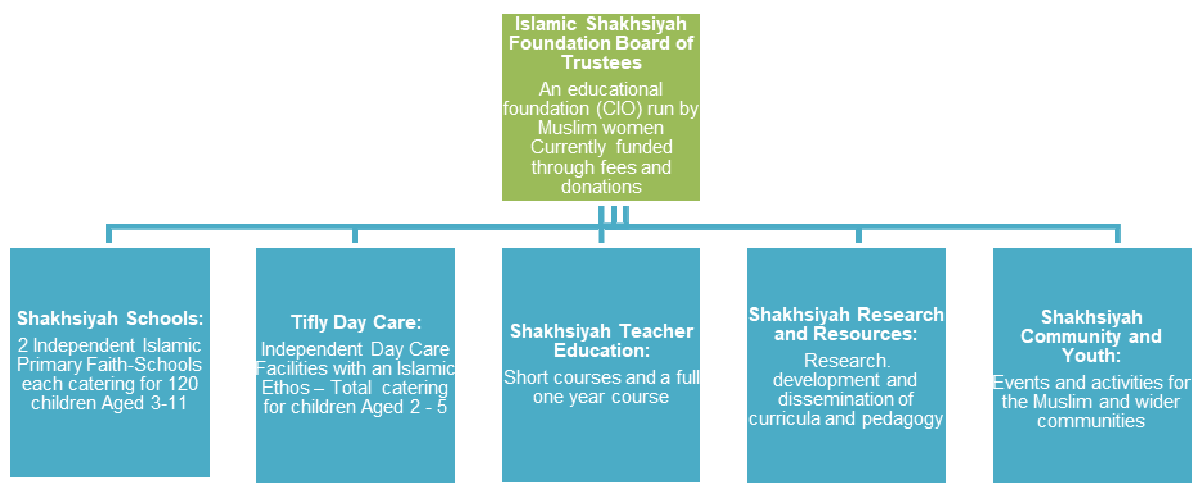
Year ended 31 July 2021

Farah Ahmed: Director of Education and Research –Paid on an hourly consultancy basis.

Foziya Reddy: Head teacher, Shakhsiyah School, London – Working part-time hours.

Nadia Ameen: Deputy Head teacher and Head of Arabic, Shakhsiyah School, London and Slough – Full-time

### Structure of Organisation



### Public Benefit:

Islamic Shakhshiyah Foundation primary schools charge fees well below the market rate in order to provide parents from deprived communities the choice of an alternative holistic Islamic education for their children. The foundation also subsidizes its teacher education courses to provide affordable continuous professional development to teachers.

### Vision and Mission Statement

Our children are the future of our Deen and our community.

Our community will need leaders with a clear understanding of Islamic principles and doctrines; as we strive to maintain our Islam in the midst of confusion. Therefore, they will need the tarbiyah (Character education) that will enable them to become committed Muslims and committed citizens:

Committed to Allah

Committed to their Family

Committed to their local Community

Committed to Community Cohesion

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021

Committed to the Ummah (Global Muslim Community)

Committed to Humanity

The role of Islamic Shakhsiyah Foundation is to develop Shakhsiyah Islamiyah (personal Islamic character) in every child and adult we engage with.

### History

In 1998 five Muslim mothers in West London and Slough organised a home-schooling group for their young children aged between 3-5 years old. The following year mothers from North and East London joined in. This was the starting point of Islamic Shakhsiyah Foundation. As women from a huge variety of backgrounds, housewives, teachers and other professionals we engaged in a prolonged and thorough discussion of what we wanted to achieve. This discussion centred on the fundamental question which continues to guide our work: 'What is Islamic education?'

We came to realise that the most valuable Islamic Education Model will not be a remedial solution to the problems faced by 'minority' communities. It will not add Islamic values and thought into existing contemporary models of education. This may be the easiest and most obvious way of proceeding, but it certainly will not lead to the desired outcomes we had set ourselves. The Islamic belief of the purpose of life is fundamentally in opposition to the secular belief. The secular education system therefore has fundamentally different goals to the Islamic education system. It is not sufficient to insert some Islamic aspects into secular systems. What is clear is that everything must be questioned, from the concept of school to the concept of the teacher and the curriculum and examined in light of Islamic educational principles of holism and character development.

We began to explore modern concepts and approaches to education along with the established Islamic principles. This has led to a synthesis of classical Islamic education with the modern approaches that reflect Islamic principles; resulting in a new and unique approach to primary education for Muslim children called '**Shakhsiyah Education**'.

As an organisation led by Muslim women we have a nurturing organic ethos rooted in the needs of the local community. Our efforts are led by a sincere niyah and internal motivation as opposed to the dominant target driven 'business' culture. We believe strongly that this is a reflection of Islamic principles and seek to uphold this in our future development inshaAllah. Islamic Shakhsiyah Foundation continues to engage in research and development by funding research into Halaqah as an Islamic pedagogy through a PhD in 'Educational Research' at the University of Cambridge. The findings of this PhD are being widely disseminated and influencing schools across the world.

### Charity Activities and Achievements 2020-21

#### Principles of Shakhsiyah Education

Our ethos as an organisation is set out in a booklet that explains the principles of Shakhsiyah Education. This is an important resource for all staff and members of the public who wish to

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2021

understand our educational theory. These principles guide the work of the schools and all other activities of the foundation.



### Shakhsiyah Schools and Tifly Day Care

Throughout the ongoing pandemic and periodic lockdowns, Shakhsiyah schools and Tifly Day Care continue their important work in educating young Muslim children with the educational philosophy of the principles of Shakhsiyah Education. The senior leadership team continue to lead the schools through the challenges of the pandemic, including offering distance teaching provision where required. They continue to prioritise children's health, safety, personal, social and emotional wellbeing, working collaboratively with families to support their needs through the pandemic, including those in need of fees assistance, due to the pandemic. Staff were also supported by ensuring that those with young children or other caring responsibilities, were allocated appropriate duties.

Due to changing circumstances for long term SLT, an Executive Head Teacher role has been created and filled. The new EHT has begun induction. Trustees hope this strengthened leadership will provide further expertise in meeting the Charity's objectives.

### Slough School Premises

Having relocated Shakhsiyah School, Slough to Cippenham Lodge in an emergency in March 2019, ISF successfully applied for planning permission for change of use for Cippenham Lodge, Cippenham Lane, Slough, SL1 5AN. However, planning permission being actioned is dependent upon the landlord's consent. The landlord wishes us to purchase the site and is not prepared to extend the lease. In practice, ISF continues to pay rent and occupy the building, but there is no written lease, which is a major problem that has taken much of trustees and senior leader's time. ISF has worked very hard to raise sufficient funds to purchase the site (including substantial interest free loans) and is now very close to purchasing the site. Once the site has been purchased, Tifly Daycare, Slough will re-open.

### School Admissions

Whilst admissions are still a minor concern in Shakhsiyah School, London, there is a clear upward trajectory.



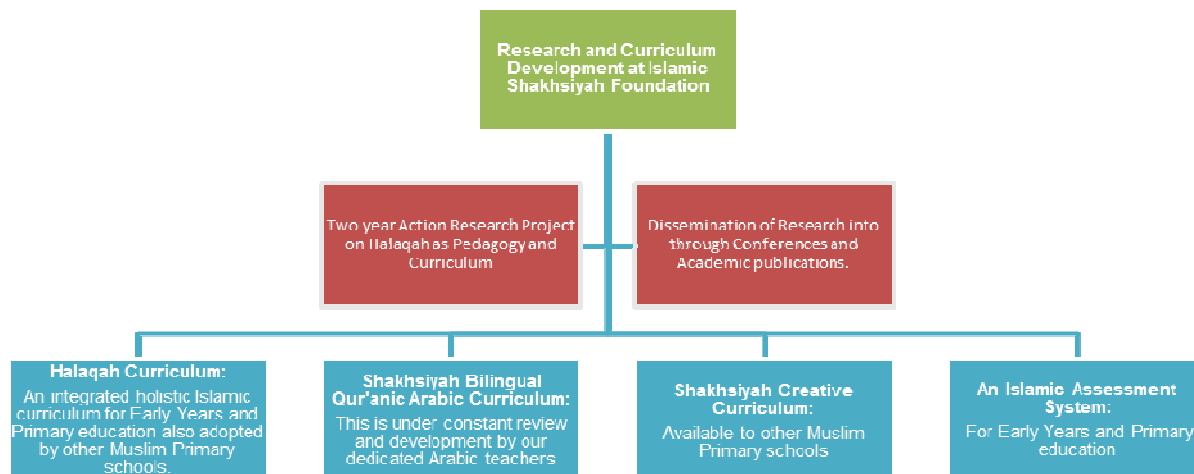
# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021

### Shakhsiyah Research and Resources

Through our research and educational resources, we are synthesising Islamic and 'Modern' Education to generate Tarbiyah, T'alim and T'adib for the 21<sup>st</sup> Century. Our goals are given in the diagram below.



### Research Publications:

New publications from Farah Ahmed's ISF funded PhD:

Ahmed, F. (2021) Authority, autonomy and selfhood in Islamic education – Theorising Shakhsiyah Islamiyah

as a dialogical Muslim-self, Educational Philosophy and Theory, DOI: 10.1080/00131857.2020.1863212

Ahmed, F. (Nov 2020) Educating for personhood - personalised character education for young British Muslims. In Special Issue Youth Social Action and Character Education. Impact: Journal of the Chartered College of Teaching

### New Book Chapter and Book Launch on the Shakhsiyah approach:

Ahmed, F. (2021) Devising and Islamic Approach to Learning and Teaching through Hadith Jibra'il: Reorienting ourselves to education from within an Islamic worldview. In Memon, N. A., Alhashmi, M. & Abdalla, M. (Eds). Curriculum Renewal for Islamic Education: Critical perspectives on teaching Islam in primary and secondary schools. Oxford UK: Routledge

11th July 2021 Invited to participate in an online book launch for Memon, N. A., Alhashmi, M. & Abdalla, M. (Eds). Curriculum Renewal for Islamic Education: Critical perspectives on teaching Islam in primary and secondary schools. Oxford UK: Routledge

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021

### T-SEDA:

Farah Ahmed continued to work as a member of the T-SEDA team on this important project. <https://www.educ.cam.ac.uk/research/projects/tseda/index.html> . She plans to develop these resources to be more applicable to halaqah.

### Shakhsiyah Curricular Resources:

There was further development of Arabic and Art Curricular resources; although work is still slow, due to the pandemic.



### Shakhsiyah Teacher Education

Online Courses are now in development. T-SEDA will be used as a key resource to support teacher professional development.



### Shakhsiyah Community and Shakhsiyah Youth

The foundation continues to work with in the local community in order to meet our objectives. The foundation hired a community and fundraising officer to support the community and youth work. A number of online events were held.

### Mustafa Ali Sadiq Scholarship Fund

In July 2014, the foundation's trustees agreed to the launch of the Mustafa Ali Sadiq Scholarship fund in by the family of Mustafa Ali Sadiq. Mustafa was a student at Shakhsiyah schools who sadly died in June 2014 at the tender age of ten. His family is very grateful to the foundation for the support provided to them during this difficult year and to Shakhsiyah Schools in helping to develop a beautiful character in Mustafa, which enabled him to endure a terrible illness with patience and dignity. Thus, a pledge was made by the family to fund the education of another child in Mustafa's memory as a sadaqah jaariyah for Mustafa, and a fund was created for anyone to donate to this cause. A scholarship was awarded to one child for the academic years 2014-18.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2021

The scholarship fund is reported separately in the trial balance.

#### Scholarship Income:

July 2014: £5,331.53

Aug 2014 – July 2015: £3,525.25

Aug 2015 – July 2016: £7,441.53

Aug 2016 – July 2017: £3,880

Aug 2017 – July 2018: £3,660

Aug 2018 – July 2019: £1,405

Aug 2019 – July 2020: £860

Aug 2020- July 2021: £740

The total raised to date is **£26,843.31**

#### Scholarship Expenditure:

£6,240 was spent on fees for 2014-15 and 2015-16 during the 2015-16 accounting period.

£3,360 has been spent on fees for 2016-17 during the 2016-17 accounting period.

£3,480 has been spent on fees for 2017-18 during the 2017-18 accounting period.

£0 has been spent on fees during the 2018-19 accounting period.

£0 has been spent on fees during the 2019-20 accounting period.

£0 has been spent on fees during the 2020-21 accounting period.

The total expenditure to date is: **£13,080**

Total of **£13,763.31** is held in reserve.

#### Future Plans for 2021-22

The foundation is seeking to do the following over the coming year:

#### Shakhsiyah Schools and Tifly Daycare

1. Continue to raise funds and or access finance to purchase Cippenham Lodge and The Coach House
2. Re-launch Tifly Daycare, Slough
3. Establish a strong secondary provision in Shakhsiyah School, London
4. Explore launching a Shakhsiyah Online School

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2021

#### Shakhsiyah Research and Resources and Shakhsiyah Teacher Education

1. Continue to disseminate Farah Ahmed's PhD research through conferences and publications
2. Resume Curriculum Development
3. Run more short courses and/or webinars

#### Shakhsiyah Community, Shakhsiyah Youth and Fundraising

1. Continue to build a team of volunteers.
2. Involve more young alumni of Shakhsiyah schools in organizing youth projects

#### Concerns and Risks in the Present & Coming Year

3. The Slough School as at risk of closure if Cippenham Lodge is not purchased.
4. Changes in the School's senior leadership require rethinking the organisational structure
5. Some of the foundation's other projects have stalled as the focus has been on managing the pandemic. These need to be prioritised when possible.
6. The charity has unrestricted reserve of £622,232 which trustees believe is sufficient to support the Charity operations in near future.

#### Financial Review:

The charity's accounts for the 12 months period ending 31 July 2021 show an income of £1,254,881 and expenditure of £925,261. There was a significant decrease in donations to the charity as charity was focusing on the establishment of the new premises.

The major part of expenditure is spent on staff salaries. An amount of £539,083 was paid out as salaries for the school staff and training cost was £3,342. As the current buildings are rented rent, rates and service charges were £187,030 and the insurance and building maintenance amounted to £14,429. A detailed break up of all the expenses is given under notes to the financial statements.

#### Principle Funding Sources

The charity is mainly funded through school fees. These are well below the market rate in order to maintain public benefit. The Charity has introduced a new fee collection regulation from 01 July 2016. Previously the advanced fees were collected on 01 August which changes to 01 July from this year.

A secondary income is through donations and funding from Local authorities.

#### Banking and Legal Details

The charity has a main income and expenditure bank account held at Barclays Bank, Wood Green Branch. The charity also has three further savings accounts, maintained to deposit donations (including scholarship donations), held at Al Rayan Bank, Whitechapel branch.

Saleemi Associates (Chartered Accountants & Statutory Auditor) of 792 Wickham Road, Croydon, CR0 8EA were appointed as auditors to carry out the audit of the financial statements.

Furthermore, the charity takes legal advice from Ahmad Thomson of Wynne Chambers, 5 Kimberley Road, London NW6 7SG and Kuddus Solicitors, 94 Whitechapel Road, London E1 1JQ

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2021

### Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £50,000, to cover emergency situations that may arise from time to time. The balance of £622,232 held on unrestricted funds, at the yearend has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate risk investments. All the investment decisions have to be authorised by all the trustees.

### Investments

The charity had no investments during the accounting period. Donations are kept in a savings account with Al Rayan bank. £7,776 was generated in profits during the accounting period.

### Financial Challenges

The charity does not currently have the full funds necessary to purchase a school building outright, which means that substantial amounts are paid out in rent. Due to the organic growth of the schools, the rental and other building costs continue to increase. Purchasing Cippenham Lodge continues to be the charity's priority. The London School's' premises lease is expiring and needs to be renegotiated.

### Future Plans

The charity needs to put together a long-term strategy to increase income and generate regular amounts through planned fundraising. The charity should consider investing any surplus funds to generate a profit. The charity will therefore need to develop an investment policy.

### Grants

The Charity does not issue grants but does assist parents by reducing fees in hardship cases. This is determined through assessing parents' income and need. A scholarship linked to the charity has been set up in the name of Mustafa Ali Sadiq, to fund a small number of children to attend the school.

### Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

### Year ended 31 July 2021

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP 2019 ( FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 25<sup>th</sup> May 2022 and signed on behalf of the board of trustees by:

**Trustee**

**Trustee**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION

Year ended 31 July 2021

### Opinion

We have audited the financial statements of Islamic Shakhshiyah Foundation (the 'charity') for the year ended 31 July 2021 which comprise Statement of Financial Activities and Statement of Financial Position 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 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

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

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION

Year ended 31 July 2021

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.

### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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

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. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, GDPR, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION

**Year ended 31 July 2021**

particular in relation to use of restricted funds, and significant one off or unusual transactions.

Our audit procedure were designed to response to those identified risk, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but were not limited to:

- Discussing with the trustees and management their policies and procedure regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit ; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon  
CR0 8EA

Date : 31<sup>st</sup> May 2022

Saleemi Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Activities

Year ended 31 July 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	282,702	91,413	<b>374,115</b>	768,208
Charitable activities	5	872,990	–	<b>872,990</b>	606,157
Investment income	6	7,776	–	<b>7,776</b>	2,203
<b>Total income</b>		<u>1,163,468</u>	<u>91,413</u>	<u><b>1,254,881</b></u>	<u>1,376,568</u>
<b>Expenditure</b>					
Expenditure on charitable activities	7,8	(914,069)	(11,192)	<b>(925,261)</b>	(860,229)
<b>Total expenditure</b>		<u>914,069</u>	<u>11,192</u>	<u><b>925,261</b></u>	<u>860,229</u>
<b>Net income and net movement in funds</b>		<u>249,399</u>	<u>80,221</u>	<u><b>329,620</b></u>	<u>516,339</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		372,833	655,798	<b>1,028,631</b>	512,293
<b>Total funds carried forward</b>		<u>622,232</u>	<u>736,019</u>	<u><b>1,358,251</b></u>	<u>1,028,631</u>

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

The notes on pages 19 to 27 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Position

31 July 2021

	Note	2021 £	£	2020 £
<b>Fixed assets</b>				
Tangible fixed assets	12		89,845	104,414
<b>Current assets</b>				
Stocks	13	–		2,672
Debtors	14	122,480		37,762
Cash at bank and in hand		1,426,965		1,136,731
		<u>1,549,445</u>		<u>1,177,165</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>281,039</u>		<u>184,947</u>
<b>Net current assets</b>			<u>1,268,406</u>	<u>992,218</u>
<b>Total assets less current liabilities</b>			<u>1,358,251</u>	<u>1,096,632</u>
<b>Creditors: amounts falling due after more than one year</b>	16		–	<u>68,000</u>
<b>Net assets</b>			<u>1,358,251</u>	<u>1,028,632</u>
<b>Funds of the charity</b>				
Restricted funds			736,019	655,798
Unrestricted funds			622,232	372,833
<b>Total charity funds</b>	18		<u>1,358,251</u>	<u>1,028,631</u>

These financial statements were approved by the board of trustees and authorised for issue on 25<sup>th</sup> May 2022, and are signed on behalf of the board by:

Trustee

Trustee

The notes on pages 19 to 27 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Cash Flows

Year ended 31 July 2021

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net income	<b>329,620</b>	516,339
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	<b>15,023</b>	16,150
Profit on investment and similar income	<b>(7,776)</b>	(2,203)
Accrued income	<b>(129,751)</b>	(23,896)
<i>Changes in:</i>		
Stocks	<b>2,672</b>	(495)
Trade and other debtors	<b>(84,718)</b>	10,385
Trade and other creditors	<b>157,843</b>	(38,020)
Cash generated from operations	<b>282,913</b>	478,260
Profit on investment	<b>7,776</b>	2,203
Net cash from operating activities	<b><u>290,689</u></b>	<u>480,463</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	<b>(454)</b>	(18,318)
Net cash used in investing activities	<b><u>(454)</u></b>	<u>(18,318)</u>
<b>Net increase in cash and cash equivalents</b>	<b>290,234</b>	462,145
<b>Cash and cash equivalents at beginning of year</b>	<b>1,136,731</b>	674,586
<b>Cash and cash equivalents at end of year</b>	<b><u>1,426,965</u></b>	<u>1,136,731</u>

The notes on pages 19 to 27 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements

### Year ended 31 July 2021

#### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Lion House, Peters field Ave, Slough, SL2 5DN.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

There are no material uncertainties about the charity's ability to continue.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2021

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2021

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	10% straight line
Fixture and fittings	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2021

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	–	16,909	<b>16,909</b>
Just Giving Appeal	–	58,517	<b>58,517</b>
LaunchGood appeals	–	15,987	<b>15,987</b>
<b>Grants</b>			
Early years grant	258,017	–	<b>258,017</b>
Job retention grant	4,258	–	<b>4,258</b>
Other grants	20,427	–	<b>20,427</b>
	<u>282,702</u>	<u>91,413</u>	<u><b>374,115</b></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

### 4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations	–	503,768	503,768
Just Giving appeals	–	13,926	13,926
LaunchGood appeals	–	12,339	12,339
<b>Grants</b>			
Early years grant	208,301	–	208,301
Job retention grant	29,874	–	29,874
Other grants	–	–	–
	<u>238,175</u>	<u>530,033</u>	<u>768,208</u>

### 5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tuition fees and school activities	869,827	–	<b>869,827</b>
Uniform and book sale	2,117	–	<b>2,117</b>
Other income from other charitable activities	1,046	–	<b>1,046</b>
	<u>872,990</u>	<u>–</u>	<u><b>872,990</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tuition fees and school activities	595,878	6,441	602,319
Uniform and book sale	3,460	–	3,460
Other income from other charitable activities	378	–	378
	<u>599,716</u>	<u>6,441</u>	<u>606,157</u>

### 6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Profit on investment	<u>7,776</u>	<u>7,776</u>	<u>2,203</u>	<u>2,203</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable Activities	<u>914,069</u>	<u>11,192</u>	<u>925,261</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable Activities	<u>849,038</u>	<u>11,192</u>	<u>860,229</u>

### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Charitable Activities	<u>925,261</u>	<u>925,261</u>	<u>860,229</u>

### 9. Net income

Net income is stated after charging/ (crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<b>15,023</b>	16,150
Operating lease rentals	<b>3,112</b>	<u>3,583</u>

### 10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	<b>539,083</b>	514,533
Social security costs	<b>27,889</b>	18,448
Employer contributions to pension plans	<b>7,911</b>	7,386
	<b><u>574,883</u></b>	<u>540,367</u>

The average head count of employees during the year was 40 (2020: 33).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

### 11. Trustee remuneration and expenses

Three of the founding trustees hold additional roles in the organisation for which they are remunerated. The charity commission has approved this arrangement. Trustees, in the annual trustee meeting, decide remuneration in accordance with Charity Commission guideline.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2021

#### 12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 August 2020	109,948	71,779	29,953	<b>211,680</b>
Additions	–	454	–	<b>454</b>
<b>At 31 July 2021</b>	<u>109,948</u>	<u>72,233</u>	<u>29,953</u>	<u><b>212,134</b></u>
<b>Depreciation</b>				
At 1 August 2020	20,408	60,067	26,791	<b>107,266</b>
Charge for the year	11,192	3,041	790	<b>15,023</b>
<b>At 31 July 2021</b>	<u>31,600</u>	<u>63,108</u>	<u>27,581</u>	<u><b>122,289</b></u>
<b>Carrying amount</b>				
<b>At 31 July 2021</b>	<u>78,348</u>	<u>9,125</u>	<u>2,372</u>	<u><b>89,845</b></u>
At 31 July 2020	<u>89,540</u>	<u>11,712</u>	<u>3,162</u>	<u>104,414</u>

#### 13. Stocks

	2021 £	2020 £
Raw materials and consumables	–	<u>2,672</u>

#### 14. Debtors

	2021 £	2020 £
Trade debtors	<b>120,229</b>	6,145
Prepayments and accrued income	<b>2,251</b>	<u>31,617</u>
	<u><b>122,480</b></u>	<u>37,762</u>

#### 15. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	<b>20,961</b>	21,152
Accruals and deferred income	–	129,751
Social security and other taxes	<b>11,048</b>	8,812
Qard-e-Hasana	<b>207,500</b>	10,000
Other Creditors	<b>41,530</b>	<u>15,232</u>
	<u><b>281,039</b></u>	<u>184,947</u>

#### 16. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Qard-e-Hasana	–	<u>68,000</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2021

#### 17. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,911 (2020: £7,386).

#### 18. Analysis of charitable funds

##### Unrestricted funds

	At 1 August 2020	Income £	Expenditure £	At 31 July 2021 £
General funds	0	1,163,468	(914,069)	<u>622,232</u>
	£ 372,833			

	At 1 August 2019	Income £	Expenditure £	At 31 July 2020 £
General funds	9	840,094	(849,038)	<u>372,833</u>
	£ 381,777			

##### Restricted funds

	At 1 August 2020	Income £	Expenditure £	At 31 July 2021 £
Restricted Fund	0	91,413	(11,192)	<u>736,019</u>
	£ 655,798			

	At 1 August 2019	Income £	Expenditure £	At 31 July 2020 £
Restricted Fund	9	536,474	(11,192)	<u>655,798</u>
	£ 130,516			

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2021

### 19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	11,497	78,348	<b>89,845</b>
Current assets	891,774	657,671	<b>1,549,445</b>
Creditors less than 1 year	(281,039)	–	<b>(281,039)</b>
Creditors greater than 1 year	–	–	<b>–</b>
<b>Net assets</b>	<u>622,232</u>	<u>736,019</u>	<u><b>1,358,251</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	14,874	89,540	104,414
Current assets	610,906	566,258	1,177,164
Creditors less than 1 year	(174,947)	–	(174,947)
Creditors greater than 1 year	(78,000)	–	(78,000)
<b>Net assets</b>	<u>372,833</u>	<u>655,798</u>	<u>1,028,631</u>

### 20. Analysis of changes in net debt

	At 1 Aug 2020 £	Cash flows £	At 31 Jul 2021 £
Cash at bank and in hand	<u>1,136,731</u>	<u>290,234</u>	<u><b>1,426,965</b></u>

# **ISLAMIC SHAKHSIYAH FOUNDATION**

**Management Information**

**Year ended 31 July 2021**

**The following pages do not form part of the financial statements.**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2021

	2021 £	2020 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	16,909	503,768
Just Giving appeals	58,517	13,926
LaunchGood appeals	15,987	12,339
Early years grant	258,017	208,301
Job retention grant	4,258	29,874
Other grants	20,427	–
	<u>374,115</u>	<u>768,208</u>
<b>Charitable activities</b>		
Tuition fees and school activities	869,827	602,319
Uniform and book sale	2,117	3,460
Other income from other charitable activities	1,046	378
	<u>872,990</u>	<u>606,157</u>
<b>Investment income</b>		
Profit on investment	7,776	2,203
	<u>7,776</u>	<u>2,203</u>
<b>Total income</b>	<u>1,254,881</u>	<u>1,376,568</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2021

### Expenditure

#### Expenditure on charitable activities

Wages and salaries	539,083	514,533
Employer's NIC	27,889	18,448
Pension costs	7,911	7,386
Operating leases	3,112	3,583
Rates and water	187,030	164,190
Light and heat	5,230	15,212
Repairs and maintenance	14,429	8,149
Insurance	13,643	7,632
Other establishment	31,348	24,845
Legal and professional fees	–	480
Telephone	3,031	3,210
Depreciation	15,023	16,150
Resources purchases	15,551	11,279
Uniform costs	6,930	2,925
Milk expenses	1,409	1,835
Printing, postage and stationery	8,496	4,852
School event charges	10,988	7,126
Ofsted charges and subscriptions	9,203	6,114
General expenses	16,532	2,841
Cost of PE Lessons	15,619	9,476
Computer costs	3,144	1,632
Bad Debts	(15,000)	24,210
Staff training	3,342	2,587
Website and advertising	1,318	1,534
	<u>(925,261)</u>	<u>(860,229)</u>
<b>Total expenditure</b>	<b><u>925,261</u></b>	<b><u>860,229</u></b>
<b>Net income</b>	<b><u>329,620</u></b>	<b><u>516,339</u></b>

**ISLAMIC SHAKHSIYAH FOUNDATION**

England & Wales - Charity number 1155314

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# Accounts

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CHARITY REGISTRATION NUMBER: 1155314

**ISLAMIC SHAKHSIYAH FOUNDATION**  
**Financial Statements**  
**31 July 2020**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# **ISLAMIC SHAKHSIYAH FOUNDATION**

## **Financial Statements**

**Year ended 31 July 2020**

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Trustees' annual report	<b>1</b>
Independent auditor's report to the members	<b>13</b>
Statement of financial activities	<b>16</b>
Statement of financial position	<b>17</b>
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Detailed statement of financial activities	<b>29</b>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report

Year ended 31 July 2020

The trustees present their report and the financial statements of the charity for the year ended 31 July 2020.

### Reference and administrative details

<b>Registered charity name</b>	ISLAMIC SHAKHSIYAH FOUNDATION
<b>Charity registration number</b>	1155314
<b>Principal office</b>	1 <sup>st</sup> Floor 277 St Ann's Road London N15 5RG
<b>The trustees</b>	Farah Ahmed Foziya Reddy Nadia Ameen Angela Neita—resigned on 31.08.2020 Basma Elshayyal Saima Hussain —appointed on 22.03.2021
<b>Auditor</b>	Saleemi Associates Chartered accountants & statutory auditor 792 Wickham Road Croydon CR0 8EA

# ISLAMIC SHAKHSIYAH FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 July 2020



**Islamic Shakhsiyah Foundation**

*Charitable Incorporated Organisation Registered Number: 1155314*

## **Trustees Annual Report 1<sup>st</sup> August 2019 – 31<sup>st</sup> July 2020**

Welcome to Islamic Shakhsiyah Foundation's Trustees' Annual Report, which sets out for our supporters and the general public what our charity has achieved in the past twelve months, and our future plans. It has been a very eventful year due to the COVID pandemic, which has impacted our charitable work in many ways. This report outlines our response and adjustments made to our work due to the pandemic. It highlights some key achievements and identifies areas for development in the coming year.

### **Introductory Matters**

#### **Aim and purposes**

Islamic Shakhsiyah Foundation is an educational charitable trust set up by Muslim mothers to provide an alternative holistic Islamic education for Muslim children. Islamic Shakhsiyah Foundation ('the Charity') was entered on the Commission's Register of Charities on 2 December 2005 and is governed by a trust deed dated 23 November 2005 and amended on 12<sup>th</sup> May 2011. On 14<sup>th</sup> January 2014 a new Charitable Incorporated Organisation was registered. The two charities ran in parallel until 29<sup>th</sup> May 2015 when the charitable trust was dissolved. However, due to an administrative error the charitable trust remained on the Charity Commission's register until 4<sup>th</sup> December 2015.

Islamic Shakhsiyah Foundation is now a charitable incorporated organization, incorporated on 14<sup>th</sup> January 2014 with the registered charity number of 1155314.

**Islamic Shakhsiyah Foundation** is a grassroots education initiative based in and around London. The foundation is the product of the dedicated efforts and sincere *niyah* (intention) of Muslim mothers. At the core of our work is a synthesis of Classical Islamic education and carefully selected modern educational strategies that are in line with Islamic principles of holism and character development embodied in the terms, *Tarbiyah, T'alim and T'adib*.

#### **Charity objects:**

The trustees must apply the income of the charity in furthering the following objects:

- 1) For the public benefit to advance education in accordance with the principles and practices of *Holistic Islamic Education* in general and the *Shakhsiyah Education Framework* in particular, through:
  - a. the provision, support and maintenance of schools ("ISF Schools"); and

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2020

- b. the provision of bursaries, grants or other forms of assistance to enable individuals to attend or study at ISF Schools who would not otherwise be able to afford to do so.
- 2) For the public benefit to advance the Islamic religion in accordance with the four Sunni schools of thought.
- 3) For the public benefit to advance the education of the public in the principles and practices of *Holistic Islamic Education* in general and the *Shakhsiyah Education Framework* in particular."

Islamic Shakhsiyah Foundation runs two faith-based independent primary schools Slough and Haringey. Previously the foundation also ran Tifly Daycare in Slough and Haringey. Since 2016 only the Haringey branch has been in operation; the Foundation intends to re-open the Slough branch when feasible. The Foundation is involved in the propagation of Islam in accordance with the four Sunni schools of thought; this includes research in philosophy and pedagogy of holistic Islamic education, dissemination of research and the production of curricula, within the theological framework of the four Sunni schools of thought. The Foundation also runs a programme of Islamic teacher education courses, which this year were mainly conducted in house. The Foundation provides other services to the community including various classes and community events.

#### **Structure and Governance:**

##### **Trustees**

The charity's trustees for the period were:

Mrs. Farah Ahmed BA hons, PGCE, MEd, PhD, FCCT (Chair of Trustees)

Mrs. Foziya Reddy BA hons, PGCE

Mrs. Nadia Ameen BA Linguistics

Ms Angela Neita

Ms Basma Elshayyal BA hons, PGCE, MA

##### **Recruitment of Trustees**

Trustees are recruited in accordance with the governing document, and all necessary safeguarding checks are carried out. Trustees are issued with the charity commission's guidance document for new trustees, and occasionally attend training events.

##### **Trustees Remuneration**

The trustee roles are volunteer roles. However, as the charity grew out of a number of homeschooling initiatives, three of the founding trustees listed below also hold additional roles in the organization for which they are remunerated. The Charity Commission has approved this arrangement. Trustees, in an annual trustee meeting, decide remuneration in accordance with Charity Commission guidelines.

Farah Ahmed: Director of Education and Research – As of 1<sup>st</sup> January 2020, this is no longer a full-time role, it is on an hourly consultancy basis.

Foziya Reddy: Head teacher, Shakhsiyah School, London – Will be moving to part-time hours as of 1<sup>st</sup> August 2020.

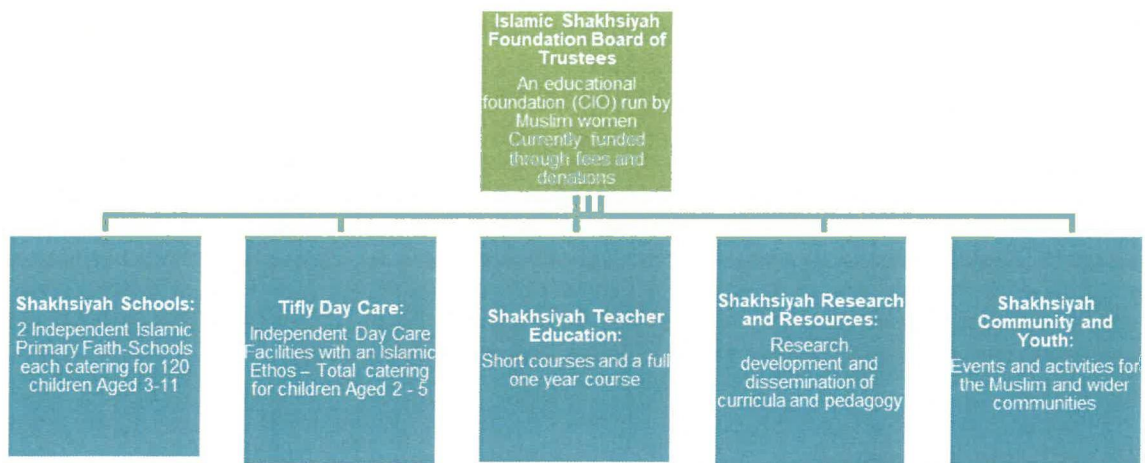
Nadia Ameen: Deputy Head teacher and Head of Arabic, Shakhsiyah School, London and Slough

# ISLAMIC SHAKHSIYAH FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 July 2020

## Structure of Organisation



### Public Benefit:

Islamic Shakhshiyah Foundation primary schools charge fees well below the market rate in order to provide parents from deprived communities the choice of an alternative holistic Islamic education for their children. The foundation also subsidizes its teacher education courses to provide affordable continuous professional development to teachers.

### Vision and Mission Statement

***Our children are the future of our Deen and our community.***

Our community will need leaders with a clear understanding of Islamic principles and doctrines; as we strive to maintain our Islam in the midst of confusion. Therefore, they will need the *tarbiyah* (Character education) that will enable them to become committed Muslims and committed citizens:

- Committed to Allah
- Committed to their Family
- Committed to their local Community
- Committed to Community Cohesion
- Committed to the *Ummah* (Global Muslim Community)
- Committed to Humanity

The role of Islamic Shakhshiyah Foundation is to develop *Shakhshiyah Islamiyah* (personal Islamic character) in every child and adult we engage with.

### History

In 1998 five Muslim mothers in West London and Slough organised a home-schooling group for their young children aged between 3-5 years old. The following year mothers from North and East London

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2020

joined in. This was the starting point of Islamic Shakhsiyah Foundation. As women from a huge variety of backgrounds, housewives, teachers and other professionals we engaged in a prolonged and thorough discussion of what we wanted to achieve. This discussion centred on the fundamental question which continues to guide our work: **'What is Islamic education?'**

We came to realise that the most valuable Islamic Education Model will not be a remedial solution to the problems faced by 'minority' communities. It will not add Islamic values and thought into existing contemporary models of education. This may be the easiest and most obvious way of proceeding, but it certainly will not lead to the desired outcomes we had set ourselves. The Islamic belief of the purpose of life is fundamentally in opposition to the secular belief. The secular education system therefore has fundamentally different goals to the Islamic education system. It is not sufficient to insert some Islamic aspects into secular systems. What is clear is that everything must be questioned, from the concept of school to the concept of the teacher and the curriculum and examined in light of Islamic educational principles of holism and character development.

We began to explore modern concepts and approaches to education along with the established Islamic principles. This has led to a synthesis of classical Islamic education with the modern approaches that reflect Islamic principles; resulting in a new and unique approach to primary education for Muslim children called **'Shakhsiyah Education'**.

As an organisation led by Muslim women we have a nurturing organic ethos rooted in the needs of the local community. Our efforts are led by a sincere *niyah* and internal motivation as opposed to the dominant target driven 'business' culture. We believe strongly that this is a reflection of Islamic principles and seek to uphold this in our future development *inshaAllah*. Islamic Shakhsiyah Foundation continues to engage in research and development by funding research into Halaqah as an Islamic pedagogy through a PhD in 'Educational Research' at the University of Cambridge. The findings of this PhD are being widely disseminated and influencing schools across the world.

## Charity Activities and Achievements 2019-20

### Principles of Shakhsiyah Education

Our ethos as an organisation is set out in a booklet that explains the principles of *Shakhsiyah Education*. This is an important resource for all staff and members of the public who wish to understand our educational theory. These principles guide the work of the schools and all other activities of the foundation.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2020



### Shakhsiyah Schools and Tifly Day Care

Throughout the pandemic and lockdown, Shakhsiyah schools and Tifly Day Care continued their important work in educating young Muslim children with the educational philosophy of the principles of *Shakhsiyah Education*. The senior leadership team led the schools through the challenges of the pandemic, showing great resilience during the process. The senior leadership team quickly devised, evaluated and improved an optimal distance teaching provision that balanced one-to-one, group and whole class time with teachers. By the end of the year, despite limited resources, a sound model had been developed and was operating effectively. The schools' rightly made children's personal, social and emotional wellbeing the priority and this became the key focus for teachers as they worked collaboratively with families to support their needs through the pandemic. Not only did staff support families dealing with lockdown, but also illness and bereavement. Shakhsiyah development remained a focus and supported children and families through the pandemic. Moreover, as the pandemic affected parent's finances, trustees responded to requests for fees assistance through emergency meetings to deal with the large number of cases. Staff were also supported by ensuring that those with young children or other caring responsibilities, were allocated appropriate duties. The Job Retention scheme was utilised for some staff, to mitigate financial loss due to additional fees' assistance and £29,874 was received in the period to support the charity. TiflyDaycare staff were furloughed and TiflyDaycare did not fully re-open at the close of the year. It is hoped to re-open TiflyDaycare in September 2020.

In July 2020, Shakhsiyah School, London gained approval to add secondary aged classes for children aged 11-14 years. This opens a new chapter in the foundation's work.

### Slough School Premises

Having relocated Shakhsiyah School, Slough to Cippenham Lodge in an emergency in March, 2019, ISF successfully applied for planning permission for change of use for Cippenham Lodge, Cippenham Lane, Slough, SL1 5AN. However, planning permission being actioned is dependent upon the landlord's consent. The landlord wishes us to purchase the site and is not prepared to extend the lease. In practice, ISF continues to pay rent and occupy the building, but there is no written lease, which is a major problem that has taken much of trustees and senior leader's time. ISF is not currently in a financial position to purchase the site, without external finance. Efforts towards securing this have been hampered by the pandemic and will be a foremost concern next year. Once the premises have been secured, Tifly Daycare, Slough will re-open.

### School Admissions

Admissions improved in both schools early in the academic year, however, a few families withdrew due to the pandemic. Whilst admissions are still a concern in Shakhsiyah School, London, there is an upward trajectory, which is promising. It is hoped that the addition of secondary age classes will increase admissions.

# ISLAMIC SHAKHSIYAH FOUNDATION

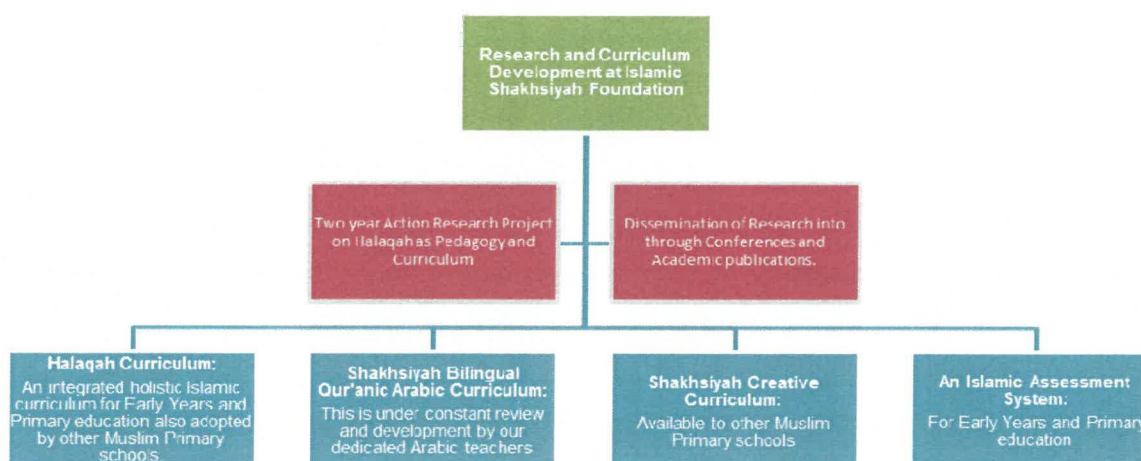
## Trustees' Annual Report (continued)

Year ended 31 July 2020



### Shakhsiyah Research and Resources

Through our research and educational resources, we are synthesising Islamic and 'Modern' Education to generate *Tarbiyah, T'alim and T'adib* for the 21<sup>st</sup> Century. Our goals are given in the diagram below.



The foundation's research work is led by Dr Farah Ahmed. As of 1<sup>st</sup> January 2020, she has a new role as Leverhulme Early Career Research Fellow at the University of Cambridge. This means that whilst she continues to disseminate the 'Principles of Shakhsiyah Education', her work is no longer mainly based in ISF. She nevertheless, continues to contribute to ISF in many ways. Her PhD research funded by ISF is still being disseminated.

### Research Publications:

Ahmed, F (2019). The potential of *halaqah* to be a transformative Islamic dialogic pedagogy. In Mercer, N. Wegerif, R. and Major, L. (Eds.), Routledge International Handbook of Research on Dialogic Education. Oxford UK: Routledge

Ahmed, F. (2020), Educating for personhood – personalised character education for young British Muslims. Impact, Journal of the Chartered College of Teaching Special Issue: Youth Social Action and Character Education

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2020

#### T-SEDA:

Farah Ahmed continued to work as a member of the T-SEDA team on this important project. <https://www.educ.cam.ac.uk/research/projects/tseda/index.html> She plans to develop these resources to be more applicable to *halaqah*.

#### Shakhsiyah Curricular Resources:

Work on curriculum development was postponed due to the pressing nature of the pandemic.



#### Shakhsiyah Teacher Education

ISF Ramadan Webinars were attended by educators from across the globe:

- 26th April: Understanding Hadith *Jibra'il* in relation to Education: Exploring key Islamic concepts
- 3rd May: Renewing Holistic Islamic Education for our 21st Century Context: Fundamental questions in the time of Coronavirus
- 10th May: What is *Shakhsiyah Islamiyah* and is it the aim of Islamic Education?
- 17th May: What is dialogic Halaqah and how can it develop *Shakhsiyah Islamiyah*?

In addition, Farah Ahmed was invited by external organisations to contribute as a panel member in online events with international audiences between 100-200 people.

- 2nd May – Islamic Courses invitation to dialogue with Aisha Gray Henry, founder of Fons Vitae's 'Ghazali Children's Project' to discuss nurturing children's spirituality through Imam al-Ghazali's educational thought
- 9th May - Islamic Courses invitation to participate in an online panel event on: Autonomy, Authority and Education – Exploring the Educational Thought of Allama Iqbal. Javed Iqbal was also on the panel and it was chaired by Ayesha Syed
- 11th June: Nida Trust invitation to present a summary of the ISF Ramadan webinar series: Understanding Education in Light of *Hadith Jibra'il*.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2020



### Shakhsiyah Community and Shakhsiyah Youth

The foundation continues to work with in the local community in order to meet our objectives. The foundation hired a community and fundraising officer to support the community and youth work. A number of online events were held.

- A parenting podcast series called TarbiyahwaTa'alim was broadcast during Ramadan.
- Foziya Reddy was invited as a guest on to a local radio show The Parenting Show Live on 10th May for a discussion on raising children suffering from learning disabilities such as Autism and dyslexia.
- Two youth events in the form of online live streams for Alumni were held.  
25th July: An Audience with Ustadha Nadia – The Blessings of DhulHijjah  
30th July: An Audience with Ustadha Nadia – Sacrifice: Blessings and Virtues
- Alive community event was held in partnership with Islamic Finance Guru: Understanding Islamic Wills.

### Mustafa Ali Sadiq Scholarship Fund

In July 2014, the foundation's trustees agreed to the launch of the Mustafa Ali Sadiq Scholarship fund in by the family of Mustafa Ali Sadiq. Mustafa was a student at Shakhsiyah schools who sadly died in June 2014 at the tender age of ten. His family is very grateful to the foundation for the support provided to them during this difficult year and to Shakhsiyah Schools in helping to develop a beautiful character in Mustafa, which enabled him to endure a terrible illness with patience and dignity. Thus, a pledge was made by the family to fund the education of another child in Mustafa's memory as a *sadaqahjaariyah* for Mustafa, and a fund was created for anyone to donate to this cause. A scholarship was awarded to one child for the academic years 2014-18.

The scholarship fund is reported separately in the trial balance.

#### Scholarship Income:

July 2014: **£5,331.53**

Aug 2014 – July 2015: **£3,525.25**

Aug 2015 – July 2016: **£7,441.53**

Aug 2016 – July 2017: **£3,880**

Aug 2017 – July 2018: **£3,660**

Aug 2018 – July 2019: **£1,405**

Aug 2019 – July 2020: **£860**

The total raised to date is **£26,103.31**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2020

#### Scholarship Expenditure:

£6,240 was spent on fees for 2014-15 and 2015-16 during the 2015-16 accounting period.

£3,360 has been spent on fees for 2016-17 during the 2016-17 accounting period.

£3,480 has been spent on fees for 2017-18 during the 2017-18 accounting period.

£0 has been spent on fees during the 2018-19 accounting period.

£0 has been spent on fees during the 2019-20 accounting period.

The total expenditure to date is: **£13,080**

Over **£13,023.31** is held in reserve.

#### Future Plans for 2020-21

The foundation is seeking to do the following over the coming year:

##### Shakhsiyah Schools and Tifly Daycare

1. Continue to raise funds and or access finance to purchase Cippenham Lodge and The Coach House
2. Re-launch Tifly Daycare, Slough
3. Establish a strong secondary provision in Shakhsiyah School, London
4. Explore launching a Shakhsiyah Online School

##### Shakhsiyah Research and Resources and Shakhsiyah Teacher Education

1. Continue to disseminate Farah Ahmed's PhD research through conferences and publications
2. Resume Curriculum Development
3. Run more short courses and/or webinars

##### Shakhsiyah Community, Shakhsiyah Youth and Fundraising

1. Continue to build a team of volunteers.
2. Involve more young alumni of Shakhsiyah schools in organizing youth projects

#### Concerns and Risks in the Present & Coming Year

1. The Slough School as at risk of closure if Cippenham Lodge is not purchased.
2. Changes in the School's senior leadership require rethinking the organisational structure
3. Some of the foundation's other projects have stalled as the focus has been on managing the pandemic. These need to be prioritised when possible.
4. The charity has reserve of £372,833 which trustees believe is sufficient to support the Charity operations in near future.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

### Year ended 31 July 2020

#### Financial Review:

The charity's accounts for the 12 months period ending 31 July 2020 show an income of £1,376,568 and expenditure of £860,229. The Charity's income included £208,301 funding from their local authorities through the Government's Sure Start programme.

The major part of expenditure is spent on staff salaries. An amount of £540,367 was paid out as salaries for the school staff and training cost was £2,587. As the current buildings are rented rent, rates and service charges were £164,190 and the insurance and building maintenance amounted to £15,781. An amount of £39,742 was spent on resources and school activities in order to attain income. Other overhead charges such as light, heating and all other general expenses to run the schools were amounted to £97,563. A detailed break up of all the expenses is given under notes to the financial statements.

#### Principle Funding Sources

The charity is mainly funded through school fees. These are well below the market rate in order to maintain public benefit. The Charity has introduced a new fee collection regulation from 01 July 2016. Previously the advanced fees were collected on 01 August which changes to 01 July from this year. Hence, there is advance fee received of £129,511 which shown under deferred income.

A secondary income is through donations and funding from Local authorities.

#### Banking and Legal Details

The charity has a main income and expenditure bank account held at Barclays Bank, Wood Green Branch. The charity also has three further savings accounts, maintained to deposit donations (including scholarship donations), held at Al Rayan Bank, Whitechapel branch.

The Saleemi Associates (Chartered Accountants & Statutory Auditor) of 792 Wickham Road, Croydon, CR0 8EA were appointed as auditors to carry out the audit of the financial statements.

Furthermore, the charity takes legal advice from Ahmad Thomson of Wynne Chambers, 5 Kimberley Road, London NW6 7SG and Kuddus Solicitors, 94 Whitechapel Road, London E1 1JQ

#### Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £50,000, to cover emergency situations that may arise from time to time. The balance of £372,833 held on unrestricted funds, at the yearend has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate risk investments. All the investment decisions have to be authorised by all the trustees.

#### Investments

The charity had no investments during the accounting period. Donations are kept in a savings account with Al Rayan bank. £2,203 was generated in profits during the accounting period.

#### Financial Challenges

The charity does not currently have the funds to purchase a school building outright, which means that substantial amounts are paid out in rent. Due to the organic growth of the schools, the rental and other building costs continue to increase. Purchasing Cippenham Lodge has to be the charity's priority. Staffing costs are rising with the annual increase in the minimum wage. These additional cost needs to be factored into financial planning-

# ISLAMIC SHAKHSIYAH FOUNDATION

## Trustees' Annual Report *(continued)*

Year ended 31 July 2020

### Future Plans

The charity needs to put together a long-term strategy to increase income and generate regular amounts through planned fundraising. The charity should consider investing any surplus funds to generate a profit. The charity will therefore need to develop an investment policy.

### Grants

The Charity does not issue grants but does assist parents by reducing fees in hardship cases. This is determined through assessing parents' income and need. A scholarship linked to the charity has been set up in the name of Mustafa Ali Sadiq, to fund a small number of children to attend the school.

### Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the 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 applicable 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

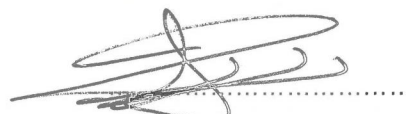
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 10.07.21 and signed on behalf of the board of trustees by:



Trustee

Foziyah Kobby



Trustee

Nadia Ameen

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION

Year ended 31 July 2020

### Opinion

We have audited the financial statements of Islamic Shakhsiyah Foundation (the 'charity') for the year ended 31 July 2020 which comprise Statement of Financial Activities and Statement of Financial Position 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION (continued)

### Year ended 31 July 2020

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.

#### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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, 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 as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

# ISLAMIC SHAKHSIYAH FOUNDATION

## Independent Auditor's Report to the Members of ISLAMIC SHAKHSIYAH FOUNDATION (continued)

Year ended 31 July 2020

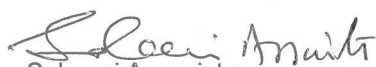
of internal control.

- 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 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.

### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon  
CR0 8EA

Date: 24 August 2021

Saleemi Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Activities

Year ended 31 July 2020

		2020	2019		
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	4	238,175	530,033	<b>768,208</b>	339,503
Charitable activities	5	599,716	6,441	<b>606,157</b>	543,323
Investment income	6	2,203	—	<b>2,203</b>	3,186
<b>Total income</b>		<u>840,094</u>	<u>536,474</u>	<u><b>1,376,568</b></u>	<u>886,012</u>
<b>Expenditure</b>					
Expenditure on charitable activities	7	849,038	11,192	<b>860,229</b>	818,592
Other expenditure	8	—	—	—	108,979
<b>Total expenditure</b>		<u>849,038</u>	<u>11,192</u>	<u><b>860,229</b></u>	<u>927,571</u>
<b>Net income/(expenditure) and net movement in funds</b>		<u>(8,944)</u>	<u>525,282</u>	<u><b>516,339</b></u>	<u>(41,559)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		381,777	130,516	<b>512,293</b>	553,852
<b>Total funds carried forward</b>		<u>372,833</u>	<u>655,798</u>	<u><b>1,028,631</b></u>	<u>512,293</u>

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

The notes on pages 19 to 27 form part of these financial statements.

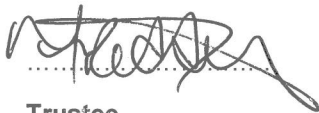
# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Financial Position

31 July 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	12	104,414	102,246
<b>Current assets</b>			
Stocks	13	2,672	2,177
Debtors	14	37,762	48,147
Cash at bank and in hand		1,136,731	674,586
		<u>1,177,165</u>	<u>724,910</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>184,947</u>	<u>236,863</u>
<b>Net current assets</b>		<u>992,218</u>	<u>488,047</u>
<b>Total assets less current liabilities</b>		<u>1,096,632</u>	<u>590,293</u>
<b>Creditors: amounts falling due after more than one year</b>	16	<u>68,000</u>	<u>78,000</u>
<b>Net assets</b>		<u>1,028,632</u>	<u>512,293</u>
<b>Funds of the charity</b>			
Restricted funds		655,798	130,516
Unrestricted funds		372,833	381,777
<b>Total charity funds</b>	18	<u>1,028,631</u>	<u>512,293</u>

These financial statements were approved by the board of trustees and authorised for issue on 10:07:21, and are signed on behalf of the board by:

  
Trustee  
FOZIYAH Rasay

Nadia Ameen  
Trustee  


The notes on pages 19 to 27 form part of these financial statements.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Statement of Cash Flows

Year ended 31 July 2020

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	516,339	(41,559)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	16,150	15,651
Profit on investment	(2,203)	(3,186)
Loss on disposal of tangible fixed assets	–	108,979
Accrued (income)/expenses	(23,896)	26,717
<i>Changes in:</i>		
Stocks	(495)	131
Trade and other debtors	10,385	6,885
Trade and other creditors	(38,020)	138,534
Cash generated from operations	478,260	252,152
Profit on investment	2,203	3,186
Net cash from operating activities	480,463	255,338
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(18,318)	(93,006)
Proceeds from sale of tangible assets	–	5,892
Net cash used in investing activities	(18,318)	(87,114)
<b>Net increase in cash and cash equivalents</b>	462,145	168,224
<b>Cash and cash equivalents at beginning of year</b>	674,586	506,362
<b>Cash and cash equivalents at end of year</b>	1,136,731	674,586

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements

Year ended 31 July 2020

### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 1<sup>st</sup> Floor, 277 St Ann's Road, London, N15 5RG.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2020

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

All fixed assets are initially recorded at cost.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2020

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	10% straight line
Fixture and fittings	-	25% reducing balance
Equipment	-	25% reducing balance

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2020

#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations	–	503,768	<b>503,768</b>
Just Giving appeal	–	13,926	<b>13,926</b>
LaunchGood appeal	–	12,339	<b>12,339</b>
<b>Grants</b>			
Early years grant	208,301	–	<b>208,301</b>
Job retention grant	29,874	–	<b>29,874</b>
	<u>238,175</u>	<u>530,033</u>	<u><b>768,208</b></u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

### 4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
<b>Donations</b>			
Donations	–	65,153	65,153
Just Giving appeal	–	49,472	49,472
LaunchGood appeal	–	–	–
<b>Grants</b>			
Early years grant	224,878	–	224,878
Job retention grant	–	–	–
	<u>224,878</u>	<u>114,625</u>	<u>339,503</u>

### 5. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tuition fees and school activities	595,878	6,441	602,319
Uniform and book sale	3,460	–	3,460
Other income from other charitable activities	378	–	378
	<u>599,716</u>	<u>6,441</u>	<u>606,157</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tuition fees and school activities	523,930	14,741	538,672
Uniform and book sale	3,063	–	3,063
Other income from other charitable activities	438	1,150	1,588
	<u>527,431</u>	<u>15,891</u>	<u>543,323</u>

### 6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Profit on investment	<u>2,203</u>	<u>2,203</u>	<u>3,186</u>	<u>3,186</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

### 7. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	<u>849,038</u>	<u>11,192</u>	<u>860,229</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Charitable activities	<u>818,592</u>	<u>–</u>	<u>818,592</u>

### 8. Other expenditure

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Loss on disposal of tangible fixed assets held for charity's own use	<u>–</u>	<u>–</u>	<u>108,979</u>	<u>108,979</u>

### 9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<b>16,150</b>	15,651
Loss on disposal of tangible fixed assets	–	108,979
Operating lease rentals	<u>3,583</u>	<u>2,548</u>

### 10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	<b>514,533</b>	444,827
Social security costs	<b>18,448</b>	10,691
Employer contributions to pension plans	<b>7,386</b>	5,450
	<u><b>540,367</b></u>	<u>460,968</u>

The average head count of employees during the year was 33 (2019: 31).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

### Year ended 31 July 2020

#### 11. Trustee remuneration and expenses

Three of the founding trustees hold additional roles in the organisation for which they are remunerated. The charity commission has approved this arrangement. Trustees, in the annual trustee meeting, decide remuneration in accordance with Charity Commission guideline.

#### 12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 August 2019	92,156	71,633	29,573	<b>193,362</b>
Additions	17,792	146	380	<b>18,318</b>
<b>At 31 July 2020</b>	<b>109,948</b>	<b>71,779</b>	<b>29,953</b>	<b>211,680</b>
<b>Depreciation</b>				
At 1 August 2019	9,216	56,163	25,737	<b>91,116</b>
Charge for the year	11,192	3,904	1,054	<b>16,150</b>
<b>At 31 July 2020</b>	<b>20,408</b>	<b>60,067</b>	<b>26,791</b>	<b>107,266</b>
<b>Carrying amount</b>				
<b>At 31 July 2020</b>	<b>89,540</b>	<b>11,712</b>	<b>3,162</b>	<b>104,414</b>
At 31 July 2019	82,940	15,470	3,836	102,246

#### 13. Stocks

	<b>2020</b>	<b>2019</b>
	£	£
Raw materials and consumables	<b>2,672</b>	<b>2,177</b>

#### 14. Debtors

	<b>2020</b>	<b>2019</b>
	£	£
Trade debtors	<b>21,145</b>	41,583
Provision for doubtful debts	<b>(15,000)</b>	(15,000)
Prepayments and accrued income	<b>31,617</b>	21,564
	<b>37,762</b>	<b>48,147</b>

#### 15. Creditors: amounts falling due within one year

	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	<b>21,152</b>	18,339
Accruals and deferred income	<b>129,751</b>	153,647
Social security and other taxes	<b>8,812</b>	6,932
Other creditors	<b>15,232</b>	12,945
Qard e Hasana	<b>10,000</b>	45,000
	<b>184,947</b>	<b>236,863</b>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

### 16. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Qard e Hasana	<u>68,000</u>	<u>78,000</u>

### 17. Pensions and other post-retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,386 (2019: £5,450).

### 18. Analysis of charitable funds

#### Unrestricted funds

	At 1 August 2019	Income £	Expenditure £	At 31 July 2020
General funds	<u>381,777</u>	<u>840,094</u>	<u>(849,038)</u>	<u>372,833</u>

	At 1 August 2018	Income £	Expenditure £	At 31 July 2019
General funds	<u>553,852</u>	<u>755,495</u>	<u>(927,570)</u>	<u>381,777</u>

#### Restricted funds

	At 1 August 2019	Income £	Expenditure £	At 31 July 2020
Restricted Fund	<u>130,516</u>	<u>536,474</u>	<u>(11,192)</u>	<u>655,798</u>

	At 1 August 2018	Income £	Expenditure £	At 31 July 2019
Restricted Fund	<u>–</u>	<u>130,516</u>	<u>–</u>	<u>130,516</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2020

### 19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	14,874	89,540	104,414
Current assets	610,907	566,258	1,177,165
Creditors less than 1 year	(184,947)	–	(184,947)
Creditors greater than 1 year	(68,000)	–	(68,000)
<b>Net assets</b>	<u>372,833</u>	<u>655,798</u>	<u>1,028,632</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	19,306	82,940	102,246
Current assets	677,334	47,576	724,910
Creditors less than 1 year	(236,863)	–	(236,863)
Creditors greater than 1 year	(78,000)	–	(78,000)
<b>Net assets</b>	<u>381,777</u>	<u>130,516</u>	<u>512,293</u>

### 20. Analysis of changes in net debt

	At 1 Aug 2019 £	Cash flows £	At 31 Jul 2020 £
Cash at bank and in hand	<u>674,586</u>	<u>462,145</u>	<u>1,136,731</u>

# **ISLAMIC SHAKHSIYAH FOUNDATION**

**Management Information**

**Year ended 31 July 2020**

**The following pages do not form part of the financial statements.**

# ISLAMIC SHAKHSIYAH FOUNDATION

## Detailed Statement of Financial Activities

Year ended 31 July 2020

	2020 £	2019 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	503,768	65,153
Just Giving Appeal	13,926	49,472
LaunchGood appeals	12,339	—
Early years grant	208,301	224,878
Job retention grant	29,874	—
	<u>768,208</u>	<u>339,503</u>
<b>Charitable activities</b>		
Tuition fees and school activities	602,319	538,672
Uniform and book sale	3,460	3,063
Other income from other charitable activities	378	1,588
	<u>606,157</u>	<u>543,323</u>
<b>Investment income</b>		
Profit on investment	2,203	3,186
	<u>2,203</u>	<u>3,186</u>
<b>Total income</b>	<u>1,376,568</u>	<u>886,012</u>

# ISLAMIC SHAKHSIYAH FOUNDATION

## Notes to the Detailed Statement of Financial Activities

### Year ended 31 July 2020

<b>Expenditure on charitable activities</b>		
Wages and salaries	514,533	444,827
Employer's NIC	18,448	10,691
Pension costs	7,386	5,450
Operating leases	3,583	2,548
Rent, rates and water	164,190	153,449
Light and heat	15,212	25,021
Repairs and maintenance	8,149	13,091
Insurance	7,632	6,580
Cleaning, waste and recycling	24,845	38,269
Legal and professional fees	480	1,941
Telephone	3,210	4,267
Depreciation	16,150	15,651
Resources purchase	11,280	8,913
Uniform cost	2,925	4,016
Milk expenses	1,835	2,497
Printing, postage and stationery	4,852	4,520
School event charges	7,126	10,318
Ofsted charges and subscriptions	6,114	4,664
General expenses	2,841	8,422
Cost of PE Lessons	9,476	13,600
School Relocation : Architect & planning	—	1,479
Computer costs	1,632	1,294
Bad Debts	24,210	18,012
Staff training	2,587	6,415
Website and advertising	1,534	12,657
	<u>860,229</u>	<u>818,592</u>
<b>Other expenditure</b>		
Loss on disposal of tangible fixed assets held for charity's own use	—	108,979
		<u>108,979</u>
<b>Total expenditure</b>	<u>860,229</u>	<u>927,571</u>
<b>Net income/(expenditure)</b>	<u>516,339</u>	<u>(41,559)</u>