

# Whitethread Institute

## Report and Accounts Period ended 31<sup>st</sup> July 2022

Charity number: 1172677

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## Reference and Administrative details

**Charity name** Whitethread Institute

**Registered charity number** 1172677

**Principal office address** 329-333 High Street  
Stratford  
London  
E15 2TF

**Chairperson** A Mangera

**Trustees** A Mangera  
M Batha  
M Mangera  
R Esakjee

**Bankers** Unity Trust Bank  
Nine Brindleyplace  
Birmingham  
B1 2HB

**Independent Examiner** SK Accountants  
Old Poplar Library  
45 Gillender Street  
Poplar  
E14 6RN

## **Trustees' Report**

The trustees have pleasure in presenting their report and the financial statements for the charity for the period ended 31<sup>st</sup> July 2022.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The Trustees present their report and the financial statements for the period ended 31<sup>st</sup> July 2022. The Trustees who served during the period and up to the date of this report are set out on page 3.

## **Structure, Governance and Management**

The Charity is constituted as a Charitable Incorporated Organisation (CIO) Foundation, as a body corporate under Part 11 of the Charities Act 2011 on 21 April 2017. The CIO registered with the Charity Commission on the same day.

## **Objectives and Activities**

To advance the religion of Islam for the public benefit in accordance with the beliefs and practices of the four recognized Sunni schools of thought, including the provision of education and training of Muslim leaders and scholars to work in the United Kingdom and elsewhere; and through this to promote and advance religious and racial harmony within the United Kingdom.

## **Achievements and Performance**

Whitethread Institute continued its strong academic performance in the fifth year, running eight full-year programs and adding several short courses. As a result, the institute's reputation continued to grow, attracting students worldwide. The faculty remained committed to providing high-quality education, and the staff worked hard to ensure that all students had access to the resources they needed.

We broadened our selection of short courses by introducing a Logic course and made adjustments to our academic curriculum. Now, students have the option to enrol in specific modules of their preferred courses instead of committing to the entire program. This approach not only caters to their interests but also makes it more affordable throughout the year.

Our student community embraces a rich global diversity, comprising individuals from twenty-eight different countries. With the convenience of our online courses, many students enjoy the flexibility of studying from any location worldwide. Our curriculum is meticulously crafted to offer accessibility, flexibility, and uncompromising quality in education. We take pride in tailoring the learning experience to meet the distinct needs of our diverse student body. Each student brings a

unique perspective rooted in their backgrounds, enriching our community. As a result, we equip our students with the skills needed to thrive in an interconnected world.


### **Financial Review**

The Charity started with £360,317 of unrestricted funds. The fifth year of the Institute's courses started in September 2021 in line with the UK academic school year. Approximately £30,000 were raised through donations in the 12 months to 31<sup>st</sup> July 2022, and around £148,000 came through course fees.

- Income for the 12 month period to 31<sup>st</sup> July 2022 amounted to £177,450 and expenditure amounted to £85,112, which resulted in a surplus of £92,338.

### **Reserves Policy**

Per the Charity Commission guidance, the Trustees regularly review the level of income reserves that it considers appropriate. At 31<sup>st</sup> July 2022, the Trustees consider it appropriate to aim to hold unrestricted reserves equivalent to three months' core operational running costs which are in the region of £21,000. The unrestricted reserves at 31 July 2022 amounted to £452,655.

  
Date: 22/7/22

Dr Abdur-Rahman Mangers  
Chairperson, Board of Trustees

### **Statement of Trustees' Responsibilities**

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

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 1993 and the Charity (Accounts and Reports) Regulations 2008.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other.

Approved by the trustees and signed on its behalf by



Date: 25/5/23

Dr Abdur-Rahman Mangera  
Chairperson, Board of Trustees

## Independent Examiner's Report To the trustees of Whitethread Institute

I report on the accounts of the above charitable incorporated organisation for the period ended 31 July 2022, which are set out on pages 8 to 15.

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

The Charity's trustees consider that an audit is not required for this period under section 144 of the Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow applicable Directions given by the Charity Commission (under section 145(5)(b) of the Act, and
- To state whether particular matters have come to my attention.

### Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

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

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

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

Date: 26 MAY 2023

SK Accountants

Address: Old Poplar Library, 45 Gillender St, Poplar, E14 6RN

# Whitethread Institute

## Period ended 31 July 2022

### Statement of Financial Activities

#### Period Ended 31 July 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>Incoming resources</b>					
Donations and legacies	2	29,764	-	29,764	38,889
Charitable activities		147,686	-	147,686	137,084
<b>Total Incoming resources</b>		<b>177,450</b>	<b>-</b>	<b>177,450</b>	<b>175,973</b>
<b>Resources expended</b>	3				
Charitable activities		85,112	-	85,112	(83,032)
<b>Total Resources expended</b>		<b>85,112</b>	<b>-</b>	<b>85,112</b>	<b>(83,032)</b>
<b>Net income/(expenditure)</b>		<b>92,338</b>	<b>-</b>	<b>92,338</b>	<b>92,941</b>
<b>Net movement in funds</b>		<b>92,338</b>	<b>-</b>	<b>92,338</b>	<b>92,941</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		360,317	-	360,317	267,376
<b>Total funds carried forward</b>		<b>452,655</b>	<b>-</b>	<b>452,655</b>	<b>360,317</b>

Date: 22 May 2023

2X Accountants

Address: Old Poplar Library, 45 Gillingham St, Poplar, E14 6RN




**Whitethread Institute**  
**Period ended 31 July 2022**

**Balance Sheet**  
**As at 31 July 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>Current assets</b>					
Cash at bank and in hand	8	340,232	20,000	360,232	364,483
Debtors		116,276	-	116,276	
<b>Total current assets</b>		<b>456,508</b>	<b>20,000</b>	<b>476,508</b>	<b>364,483</b>
<b>Creditors: amounts falling due within one year</b>	9	(3,853)	(20,000)	(23,853)	(4,167)
<b>Net current assets/(liabilities)</b>		<b>452,655</b>	<b>-</b>	<b>452,655</b>	<b>360,316</b>
<b>Total assets less current liabilities</b>		<b>452,655</b>	<b>-</b>	<b>452,655</b>	<b>360,316</b>
<b>Creditors: amounts falling due after one year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total net assets or liabilities</b>		<b>452,655</b>	<b>-</b>	<b>452,655</b>	<b>360,316</b>
<b>Funds of the Charity</b>	10				
Restricted income funds		-	-	-	-
Unrestricted funds		452,655	-	452,655	360,316
<b>Total funds</b>		<b>452,655</b>	<b>-</b>	<b>452,655</b>	<b>360,316</b>

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:



Date: 25/5/23

Dr Abdur-Rahman Mangera  
Chairperson, Board of Trustees

# Whitethread Institute

## Period ended 31 July 2022

### Statement of Cash Flows

	2022 £	2021 £
<b>Cash flows from operating activities:</b>		
Net movement in funds	92,338	92,941
Less increase in debtors	(116,276)	-
Add increase in creditors	19,686	1,685
<b>Net cash flow of operating activities</b>	<b>(4,251)</b>	<b>94,626</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(4,251)</b>	<b>94,626</b>
Cash and Cash equivalents brought forward	364,483	269,857
<b>Total cash and cash equivalents at the end of the year</b>	<b>360,232</b>	<b>364,483</b>

The financial statements were approved and authorised for issue by the Board and signed on its behalf

Date: 22/12/23

Or Abdul-Rahman Mangers  
Chairperson, Board of Trustees

## Notes to the Accounts

### 1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### Basis of preparation (FRS102)

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Whitethread Institute meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of a project or provision of other specified service is deferred until the criteria for income recognition are met.

#### Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised based on the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

## **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the Trustees have decided to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for areas of the charity's work or for specific projects being undertaken by the charity.

## **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. Support costs have been allocated in proportion to expenditure incurred in undertaking an activity.

## **Tangible fixed assets**

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a reducing balance basis as follows:

Asset Category	Annual rate
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Fixtures, Fittings and Electrical equipment	15%
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## **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and amounts in deposit accounts.

## **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# Whitethread Institute

## Period ended 31 July 2022

### 2. Analysis of Incoming Resources

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Donations and legacies	29,764	-	29,764	38,889
Charitable activities	147,686	-	147,686	137,084
<b>Total</b>	<b>177,450</b>	<b>-</b>	<b>177,450</b>	<b>175,973</b>

### 3. Analysis of Resources expended

	Staff costs	Other costs	Support costs	2022 Total	2021 Total
	£	£	£	£	£
<b>Charitable activities</b>					
Activities undertaken directly:	41,131	-	43,981	85,112	83,032
<b>Total</b>	<b>41,131</b>	<b>-</b>	<b>43,981</b>	<b>85,112</b>	<b>83,032</b>

### 4. Analysis of staff costs, Charity remuneration and expenses, and key management personnel.

	2022	2021
	£	£
Salaries and Staff Wages	41,022	35,592
Social Security Costs	109	-
<b>Total</b>	<b>41,131</b>	<b>35,592</b>

No employees had employee benefits more than £60,000

The charity trustees were not paid or received any other benefits from employment with the charity, neither were they reimbursed expenses during the period. No other charity received payment for professional or other services supplied to the charity.

# Whitethread Institute

## Period ended 31 July 2022

### 5. Staff Numbers

The average monthly head count was 7 staff and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the period were as follows:

	2022	2021
Charitable Activities	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

### 6. Related Party Transactions

Neither the Trustees nor any persons connected with them received any remuneration, benefits in kind from the Charity during the period. During the period under review, no trustees received reimbursement of travelling expenses.

### 7. Corporation Taxation

The charity is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable objectives.

### 8. Cash at Bank and in Hand

	2022 £	2021 £
Cash at Bank	358,556	362,266
Cash in Hand	1,676	2,217
<b>Total</b>	<b><u>360,232</u></b>	<b><u>364,483</u></b>

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

	2022 £	2021 £
Net Wages	3,607	4,025
Social Security Taxes	246	142
<b>Total</b>	<b><u>3,853</u></b>	<b><u>4,167</u></b>

**Whitethread Institute**  
**Period ended 31 July 2022**

**10. Charity Funds**

Fund names		2021 Balance B/F £	Income £	Expenditure £	Transfers £	2022 Balance C/F £
Zakaat	Restricted	-	-	-	-	-
General Fund	Unrestricted	360,317	177,450	85,112	-	452,655
<b>Total Funds</b>		<b>360,317</b>	<b>177,450</b>	<b>85,112</b>	<b>-</b>	<b>452,655</b>

Fund names		2020 Balance B/F £	Income £	Expenditure £	Transfers £	2021 Balance C/F £
Zakaat	Restricted	1,570	-	(1,570)	-	-
General Fund	Unrestricted	265,806	175,973	(81,462)	-	360,317
<b>Total Funds</b>		<b>267,376</b>	<b>175,973</b>	<b>(83,032)</b>	<b>-</b>	<b>360,317</b>