

**Al Misbaah Academy (AMA)**

**Report and Accounts  
Period ended 31<sup>st</sup> December 2023**

**Charity number: 1172726**



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## Reference and Administrative details

<b>Charity name</b>	Al Misbaah Academy (AMA)
<b>Registered charity number</b>	1172726
<b>Registered office address</b>	142 Milton Avenue, London, E6 1BL
<b>Principal office address</b>	645 – 647 High Road, Seven Kings, Ilford, IG3 8RG
<b>Chairperson</b>	Mohammed Ibn Sadiq Kothia
<b>Trustees</b>	Mohammed Ibn Sadiq Kothia Dr. Haseeb Valli Imam Suhail Patel
<b>Bankers</b>	Santander UK PLC 2 Triton Square Regent's Place London NW1 3AN
<b>Independent Examiner</b>	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> December 2023.

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> December 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

#### Governing Document

Al Misbaah Academy (AMA) is constituted as a charitable trust registered with the Charity Commission in April 2017 under charity number 1172726. It is governed by a Charitable Incorporated Organisation last amended in June 2017.

#### Organisational Structure

The charity trustees are responsible for the general control and management of the charity. The trustees meet together as a body monthly and are responsible for the overall governance of Al Misbaah Academy and to oversee the management and day to day running of the charity. To organise the governance of the charity, the trustees are in the process of setting up a number of sub-committees to delegate key areas of responsibility. This will include the following:

- Finance sub-committee
- Fundraising sub-committee
- Ladies sub-committee

The day-to-day management of Al Misbaah Academy and administration of the projects are controlled by the Chief Executive, Mufti Suhail.



### **Recruitment and Appointment of Trustees**

The existing trustees are responsible for the recruitment of new trustees. In selecting new trustees, we seek to identify people who are committed individuals, whose views are aligned to the charity's vision, in addition to being able to offer relevant skills and experience. Potential trustees are invited to attend trustees' meetings to meet the trustees and have an informal interview and are given more details about the charity's aims and activities, and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

### **Induction and Training of New Trustees**

Following appointment, new trustees are introduced to their new role and given copies of the governing document, a copy of the most recent, 'The Essential Trustee' guidance booklet, and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new Trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are given the task of leading a particular activity or project, reporting progress at trustees' meetings.

### **Risk Management**

The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review the risk matrix regularly at their meetings. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified. In particular, insurance cover is in place and the finances of Al Misbaah Academy (AMA) are kept under review. Appropriate Criminal Records Bureau (CRB/DBS) checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups within the premises.



## **OBJECTIVES AND ACTIVITIES**

### **Our Aims**

The objectives of the charity are set out in the Charity's governing document and are summarised as follows:

1. To advance education for the benefit of the poor, underprivileged and the general public, by means of, but not exclusively, the provision or the assistance in the provision of educational activities and facilities for those in the UK.
2. To advance the religion of Islam, by the means of, but not exclusively, promoting the correct understanding of the beliefs and practices and provision or assistance in the provision of facilities for worship and Islamic education for the benefit of the community in the UK, in accordance with the teachings of the Qur'ān and Sunnah of the Prophet Muhammad (PBUH) as interpreted by the Ahlus-Sunnah-Wal-Jamā'ah school of thought.
3. To relieve financial hardship, distress and suffering among poor people, victims of natural and man-made disasters and other people in need, by means of, but not exclusively, fundraising donations for providing or paying for food, items, equipment, clothing, accommodation and such services and facilities for the benefit of the said persons.
4. To provide or assist in 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.



## Our Objectives

Our objectives are set to reflect our faith and community aims. Each year our trustees will review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review, the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

## Activities and Achievements

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit both to our students who study at Al Misbaah Academy and the wider community of Redbridge, London:

**Children's Supplementary Schools:** Al Misbaah Academy operates Supplementary Schools on both the weekdays and weekends, currently catering for approximately 700 students.

**Qur'ān Memorisation Class:** The memorisation of the Qur'ān is considered an important element of religious education and training. We continue to provide this facility for those studying at Al Misbaah Academy. We are pleased with this programme which continues to run successfully with 28 young students regularly attending this class. We have had a number of graduates from this program, who has then gone ahead to lead prayers at various mosques around the U.K. Some of our graduates have now progressed into studying the Islamic Theology programme.

**Ālimiyyah (Islamic Scholarship) Programme:** The Ālimiyyah Programme is an undergraduate level programme in Sharī'ah (Islamic Law) and Islamic Theology. The program is an in-depth study of subjects such as Tafsīr, Hadīth, Fiqh and the principles of Tafsīr, Hadīth and Fiqh. It also includes an advanced study of classical Arabic. The aim of the Ālimiyyah curriculum is to produce scholars and leaders who are competent in the Islamic sciences such as Tafsīr and Hadīth possessing the professional skills necessary to serve, guide and lead the Muslim community with excellence. In addition to imparting knowledge and skills, the curriculum, and the environment within which it is taught is designed to produce scholars whose scholarship is marked by tradition, intelligence, piety, responsibility, and generosity of spirit, ensuring that we are not simply producing academics and professionals seeking a career but are producing the selfless spirit that has always been so characteristic of Islamic scholarship. We are pleased to have had our first batch of graduates from this 6-year programme. A beautiful ceremony was organised to celebrate this amazing achievement, which was attended by hundreds from the local community and beyond. Many of our graduates have also been recruited in some capacity since and are playing vital role in helping Al Misbaah Academy serve the local and wider community.

**Part-Time Courses:** We operate numerous courses for both male and female adults within the community tailored to their requirements and needs. This year at Al Misbaah Academy, we held the following courses:

- **Annual Tafsir Programme:** This massively popular course ran throughout the month of Ramadān at our site in Seven Kings, peaking at over 120 females in attendance. This is an increase of fifty from the previous year.



- **Ramadān Youth Programmes:** These programs ran on the weekends throughout the month of Ramadān discussing contemporary and relevant topics for the youth.
- **Youth Enrichment Programme:** This year was our sixth year of this highly successful and beneficial programme aimed at teenagers', studying Sīrah, Hadīth, Islamic Jurisprudence and Contemporary Issues. The aim of the course is to provide our youth with the tools to navigate the modern world in a sound, balanced and holistic way, as encouraged by Islam. Our core aims are twelve; Developing a life-long zeal for learning, instilling the love of Islamic environments, building leadership qualities, fostering prophetic characteristics, providing a positive learning experience, facilitating critical thinking, opening doors to healthy friendships, inspiring love of Allāh, the Qur'ān and the Sunnah, strengthening īmān (faith) and God-consciousness, transforming self-confidence, unlocking creativity and imagination and empowering application of sound and reliable knowledge.

**Community Events:** We regularly organise events and activities for the community to provide opportunities for cohesion, tackling issues of importance and strengthening ties within the local community.

- **Recreational Activities:** We regularly arrange trips for our students and the general community to venues such as; Chessington World of Adventures, Paintball Mayhem, Flip-Out Trampoline Park, Laser Tag, etc.
- **Al Misbaah Youth Centre (AMYC):** After many years working on numerous youth-related projects, we decided to embark on scaling up this project and our efforts in the form of a designated centre for the youth. We were able to acquire a 2400ft site on lease and the primary focus throughout the year 2023 was to raise funds to complete the renovation and purchase all necessary equipment. We aim to open our doors to the community in the summer of 2024.
- **Heaven at Your Doorstep:** We once again were successful in organising our annual family event held at Mayfair Banqueting Suite in Chadwell Heath which was attended by over 600 people. We were able to host world-renowned guests. The purpose of this event was to create awareness regarding AMYC and to raise funds towards it.

#### **Use of Volunteers**

Volunteers are an important resource in both our faith and community work. They add great value to the work that Al Misbaah Academy do and assist us in achieving our mission and objectives. Volunteers are involved in the events that we organise and we have a small team of volunteers who regularly give their time to our cause. Our trustees also give their time freely when required. We encourage members of the community to share their skills with others by involving themselves in our activities. All volunteers working with projects involving children or other vulnerable groups are DBS checked.



### **Plans for Future Periods**

Al Misbaah Academy plans for growth within our individual activities, to improve the work that we do, encourage more involvement from the community in our mission and benefitting a larger number of people.

Within our Supplementary Schools, we aim to introduce more character development and enrichment opportunities for our children by organising campaign weeks, within which they focus on key characteristics we would like for them to develop and/or national and international campaigns. These can also provide an opportunity for community cohesion work for our teachers, children and their families.

We also intend to organise more community activities for the purposes of meeting the growing need for spiritual development, providing opportunities for cohesion between Muslims of our community, improving our profile and increasing our reach. We aim to organise a large-scale family dinner for the community with a specific theme and invite well-known guests to attract a larger audience and allow our community to benefit from them. We also aim to provide more free courses and lectures for the community, especially during the holy month of Ramadān, both specifically for adults and youth. Should the need for this prove to be popular, we plan to continue these thereafter and attract a wider audience to benefit from our activities.

### **FINANCIAL REVIEW**

#### **Principal Sources of funding**

The charity's main source of income are madrasah fees, in the current period the incoming resources for the period amounted to £601,056.

The continued generous donations provided by the users and supporters of the charity received in the current period amounted to £6,949. Al Misbaah Academy is deeply grateful for the ongoing support and looks forward to your continued support in the future.

#### **Reserves policy**

The trustees have reviewed the reserves of the charity. The aim is to hold enough cash unrestricted funds within the reserves to cover six months of operational expenses.

Currently the charity holds enough reserves to cover three months of operational expenses.

The current free reserves of the charity are £166,841.

**Plans for the future:** Currently the general unrestricted funds are below the target of 6 months, the charity aims to increase the level of cash reserves funds to meet this target.

#### **Investment policy**

The Charity has no long-term investments. Our cash deposits retained are with major UK retail banks.



### 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:

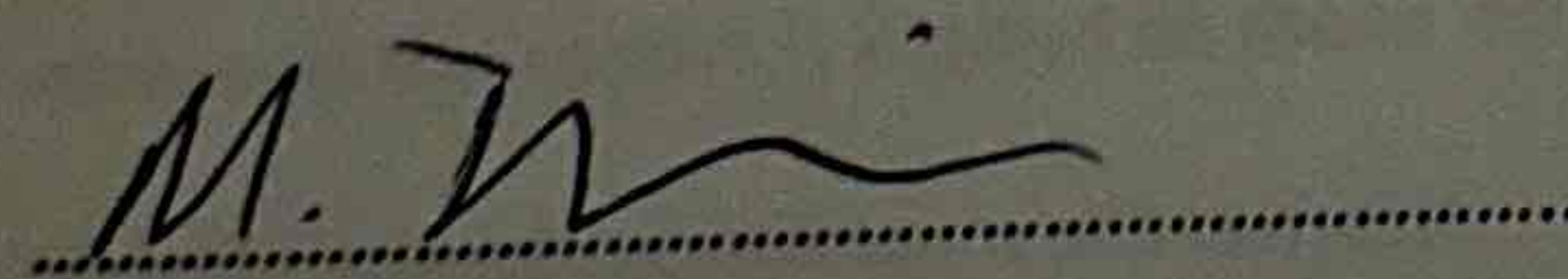
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 our Board of Trustees on 06/12/24

Signed on its behalf.



Trustee

Name Mohammed Ibn Sadiq Kothia

And



Trustee

Name Haseeb Vani



## **Independent Examiner's Report**

### **To the trustees of Al Misbaah Academy**

I report on the accounts of the above charity for the period ended 31 December 2023, which are set out on pages 13 to 19.

#### **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:**

**SK Accountants**

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



## Statement of Financial Activities

### Period Ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>Incoming resources</b>					
Donations and legacies	2	6,949	-	6,949	6,954
Charitable activities		601,056	-	601,056	470,473
<b>Total Incoming resources</b>		<b>608,005</b>	<b>-</b>	<b>608,005</b>	<b>477,427</b>
<b>Resources expended</b>	3				
Charitable activities		(555,006)	-	(555,006)	(466,317)
<b>Total Resources expended</b>		<b>(555,006)</b>	<b>-</b>	<b>(555,006)</b>	<b>(466,317)</b>
<b>Net income/(expenditure)</b>		<b>52,999</b>	<b>-</b>	<b>52,999</b>	<b>11,110</b>
<b>Net movement in funds</b>		<b>52,999</b>	<b>-</b>	<b>52,999</b>	<b>11,110</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		113,842	-	113,842	102,732
<b>Total funds carried forward</b>		<b>166,841</b>	<b>-</b>	<b>166,841</b>	<b>113,842</b>



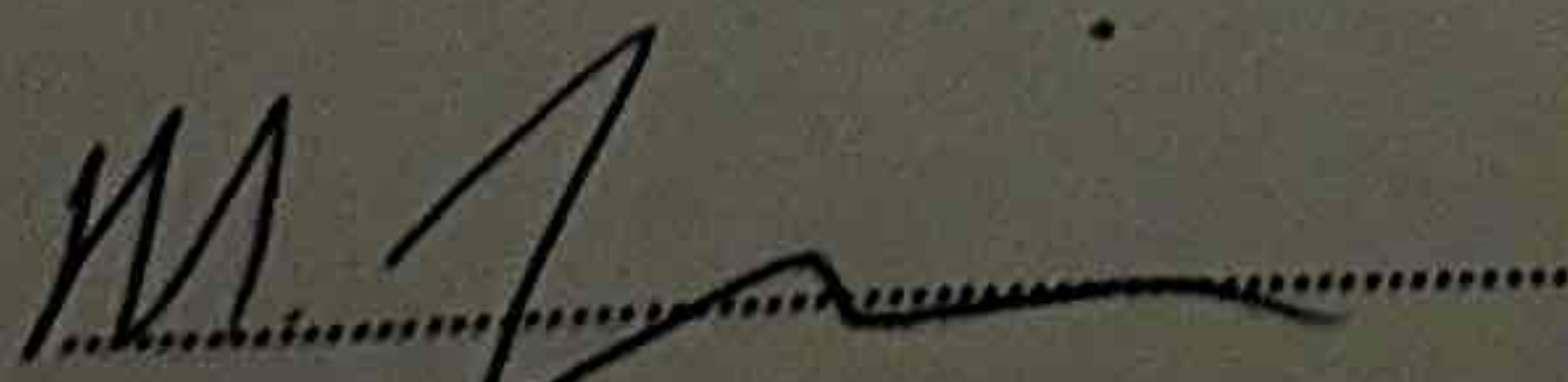
Al Misbaah Academy (AMA)  
Period ended 31 December 2023

## Balance Sheet

As at 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>Current assets</b>					
Debtors		30,000	-	30,000	-
Cash at bank and in hand	8	161,389	-	161,389	143,516
<b>Total current assets</b>		<b>191,389</b>	<b>-</b>	<b>191,389</b>	<b>143,516</b>
<b>Creditors: amounts falling due within one year</b>	9	(24,548)	-	(24,548)	(29,674)
<b>Net current assets/(liabilities)</b>		<b>166,841</b>	<b>-</b>	<b>166,841</b>	<b>113,842</b>
<b>Total assets less current liabilities</b>		<b>166,841</b>	<b>-</b>	<b>166,841</b>	<b>113,842</b>
<b>Creditors: amounts falling due after one year</b>		-	-	-	-
<b>Total net assets or liabilities</b>		<b>166,841</b>	<b>-</b>	<b>166,841</b>	<b>113,842</b>
<b>Funds of the Charity</b>	10				
Restricted Funds		166,841	-	166,841	113,842
Unrestricted Funds		-	-	-	-
<b>Total Funds</b>		<b>166,841</b>	<b>-</b>	<b>166,841</b>	<b>113,842</b>

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



Date: 06/12/24

Mohammed Ibn Sadiq Kothia  
Chairperson, Board of Trustees



## Statement of Cash Flows

	2023 £	2022 £
<b>Cash flows from operating activities:</b>		
Net movement in funds	52,999	11,110
(Increase)/Decrease of debtors	(30,000)	2,683
Increase/(Decrease) of creditors	(5,126)	5,517
	<u>17,873</u>	<u>19,310</u>
<b>Net cash flow of operating activities</b>		
	<u>17,873</u>	<u>19,310</u>
<b>Change in cash and cash equivalents in the year</b>		
	143,516	124,206
Cash and Cash equivalents brought forward		
	<u>161,389</u>	<u>143,516</u>
<b>Total cash and cash equivalents at the end of the year</b>		



## 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.

Al Misbaah Academy 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
Fixtures, Fittings and Electrical equipment	15%

## **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.



## 2. Analysis of Incoming Resources

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Donations and legacies	6,949	-	6,949	6,954
Charitable activities	601,056	-	601,056	470,473
<b>Total</b>	<b>608,005</b>	<b>-</b>	<b>608,005</b>	<b>477,427</b>

## 3. Analysis of Resources expended

	Staff costs	Other costs	Support costs	2023 Total	2022 Total
	£	£	£	£	£
Charitable activities					
Activities undertaken directly:	397,685	-	157,321	555,006	466,317
<b>Total</b>	<b>397,685</b>	<b>-</b>	<b>157,321</b>	<b>555,006</b>	<b>466,317</b>

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

	2023	2022
	£	£
Salaries and Staff Wages	397,685	367,949
<b>Total</b>	<b>397,685</b>	<b>367,949</b>

No employees had employee benefits more than £60,000



## 5. Staff Numbers

The average monthly head count was 25 staff and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the period were as follows:

	2023	2022
	<u>          </u>	<u>          </u>
Charitable Activities	<u>19</u>	<u>19</u>
	<u>19</u>	<u>19</u>

## 6. Related Party Transactions and trustees' remuneration

Imam Suhail Patel is a trustee of the charity as well the CEO. As such he is remunerated for his duties as Chief Executive Officer and not for his work as a trustee.

No other trustees have been remunerated for their services to the charity or any expenses which they may have incurred to carry out their duties as a trustee.

## 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

	2023 £	2022 £
	<u>          </u>	<u>          </u>
Cash at Bank	137,888	140,243
Cash in Hand	23,501	3,273
	<u>          </u>	<u>          </u>
<b>Total</b>	<u><b>161,389</b></u>	<u><b>143,516</b></u>



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

	2023 £	2022 £
Net Wages	19,242	26,625
Social Security Taxes	5,306	3,049
<b>Total</b>	<b>24,548</b>	<b>29,674</b>

**10. Charity Funds**

	2022 Balance B/F £	Income £	Expenditure £	Transfers £	2023 Balance C/F £
<b>Fund names</b>					
Restricted	-	-	-	-	-
Unrestricted	113,842	608,005	(555,006)	-	166,841
<b>Total Funds</b>	<b>113,842</b>	<b>608,005</b>	<b>(555,006)</b>	<b>-</b>	<b>166,841</b>

	2021 Balance B/F £	Income £	Expenditure £	Transfers £	2022 Balance C/F £
<b>Fund names</b>					
Restricted	-	-	-	-	-
Unrestricted	102,732	477,427	(466,317)	-	113,842
<b>Total Funds</b>	<b>102,732</b>	<b>477,427</b>	<b>(466,317)</b>	<b>-</b>	<b>113,842</b>