

# **RAZA EDUCATION CENTRE**

## **Report of the trustees for the year ending 31<sup>st</sup> August 2022**

(Registered Charity Number 1184608)

The Trustees present their annual report together with the financial statements of Raza Education Centre year ending 31<sup>st</sup> August 2022. The financial statements comply with Charities Act 2011 and 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).

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

#### **a. CONSTITUTION**

The charity was setup by a constitution on 24/05/2019 and is a registered charity (Number 1184608).

The charity is referred to as a Madrasah, which is a type of school for Islamic studies.

#### **b. APPOINTMENT OF TRUSTEES**

The first trustees were the founding members of the charity. In future they will be elected by way of a special meeting and by way of a vote as per the constitution.

In selecting persons to be appointed as trustees, the Trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the objects or the managements of the Charity.

#### **c. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Board of Trustees provide continuous direction and support to the Charity and its staff.

#### **d. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance, and are satisfied that systems and procedures are in place to mitigate our exposures to major risk.

#### **e. USE OF VOLUNTEERS**

We use a limited number of volunteers throughout the year to help in both faith and community activities.

## **AIMS AND OBJECTIVES**

### **a. POLICIES AND OBJECTIVES**

The objects of the CIO are to advance and promote the Islamic religion, faith, culture and principles for the benefit of the public through:

- The following of Sunni Hanafi beliefs and principles
- The advancement of the education of Muslim children and adults through amongst other things the promotion of Islamic teachings and practices and initiation, development, publishing and distribution of such literature;
- The organisation of Islamic functions, seminars and talks;
- The promotion of unity and friendship among the Muslims and non-Muslim communities.
- Raising funds for the benefit of the charity.
- Raising and donating funds for charitable causes, including but not limited to helping other charities, such as mosques or places of religious worship (of Muslim faith).
- Distributing surplus funds to assist other charities.

### **b. HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefits to those who worship at the mosque and the wider community of Accrington.

- \* Community events: these are for the benefit of the wider community, such as talks, conferences and meetings.
- \* Madrasah – we have set up a Madrasah to teach the youth of the community on how to read the Quran and learn Islamic history as well as the rules of Islam. Fees were charged to cover the teachers salaries. The Charity is working alongside other Charities to advance Islamic education for the Muslim youth.

## **ACHIEVEMENTS AND PERFORMANCE**

### **a. REVIEW OF ACTIVITIES / LOCK DOWN / CORONAVIRUS**

Raza Education Centre have throughout the year helped the advancement in Islamic knowledge for youths and adults in the local area and helped anybody wishing to learn about Islam.

We have also provided resources to the community through books and general one to one advice and held open days as well many events on a monthly basis whereby talks were given by guest speakers.

During the year the trustees and mosque committee have had a number of meetings to ensure that adequate financial controls are being followed by all members involved on a daily basis, with adequate procedures and rules.

## **FINANCIAL REVIEW**

### **a. RESERVES POLICY**

The free reserves are held to secure the long-term financial security of the charity.

The trustees consider that this level of reserves is required to enable the charity to fulfil its obligations and commitments.

The reserves increased during lockdown as students continued to donate to the charity and as the charity was mostly closed, the wages were not paid to the staff and we recruited less staff.

If the Madrasah was open on a usual basis without lockdown, the reserves would be less as the fees income generated is mostly spent on wages.

### **b. PRINCIPAL INCOME**

The principal income is donations from local community.

## **PLANS FOR THE FUTURE**

### **a. FUTURE DEVELOPMENTS**

We hope to increase the number of classes set at the Madrasah which will allow more students to enrol to learn about Quran and Islam as a religion. By Having more students, our fees should increase and allow us to hold more events to promote Islam to the community.

The current fees are set at £25 - £30 per student per month but this is set as a voluntary donation and if students don't pay, they are still accepted on the course.

Charity registration number: 1184608

# Raza Education Centre

known as

Raza Academy

Annual Report and Financial Statements

for the Year Ended 31 August 2022

**Raza Education Centre**  
**known as Raza Academy**

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**Raza Education Centre**

**known as Raza Academy**

**Reference and Administrative Details**

<b>Chairman</b>	Mr Khizar Mehrban
<b>Trustees</b>	Mr Raheel Rangzeb Mr Saleem Hussain Mr Zahoor Ahmed
<b>Charity Registration Number</b>	1184608
<b>Principal Office</b>	39 Lower Antley Street Accrington Lancashire BB5 0BA
<b>Auditor</b>	Butterworth Barlow Butterworth Barlow House 10 Derby Street Prescot Merseyside L34 3LG
<b>Accountants</b>	A.Y.A Accountants Limited 82 Blackburn Road Accrington Lancashire BB5 1LL
<b>Bankers</b>	Barclays Manchester City 2

## **Raza Education Centre**

### **known as Raza Academy**

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

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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 Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 31 January 2023 and signed on its behalf by:



Mr Khizar Mehrban  
Chairman

**Raza Education Centre**  
**known as Raza Academy**

**Independent Examiner's Report to the trustees of Raza Education Centre**

I report to the trustees on my examination of the accounts of Raza Education Centre for the year ended 31 August 2022.

**Responsibilities and basis of report**

As the charity trustees of Raza Education Centre you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Raza Education Centre's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of Raza Education Centre as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

*G Butterworth*

.....  
Gavin Butterworth  
Institute of Chartered Accountants England & Wales (ICAEW)

Butterworth Barlow House  
10 Derby Street  
Prescot  
Merseyside  
L34 3LG

31 January 2023



**Raza Education Centre**  
**known as Raza Academy**

**Statement of Financial Activities for the Year Ended 31 August 2022**

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Charitable activities		84,864	84,864
Total income		84,864	84,864
<b>Expenditure on:</b>			
Charitable activities		(79,106)	(79,106)
Total expenditure		(79,106)	(79,106)
Net income		5,758	5,758
Net movement in funds		5,758	5,758
<b>Reconciliation of funds</b>			
Total funds brought forward		39,850	39,850
Total funds carried forward	13	45,608	45,608
		<b>Unrestricted funds £</b>	<b>Total 2021 £</b>
	Note		
<b>Income and Endowments from:</b>			
Charitable activities		55,488	55,488
Total income		55,488	55,488
<b>Expenditure on:</b>			
Charitable activities		(15,638)	(15,638)
Total expenditure		(15,638)	(15,638)
Net income		39,850	39,850
Net movement in funds		39,850	39,850
<b>Reconciliation of funds</b>			
Total funds carried forward	13	39,850	39,850

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 is shown in note 13.

**Raza Education Centre**  
**known as Raza Academy**  
**(Registration number: 1184608)**  
**Balance Sheet as at 31 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	10	1,382	160
<b>Current assets</b>			
Cash at bank and in hand	11	45,878	40,750
<b>Creditors: Amounts falling due within one year</b>	12	(1,652)	(1,060)
<b>Net current assets</b>		44,226	39,690
<b>Net assets</b>		45,608	39,850
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		45,608	39,850
<b>Total funds</b>	13	45,608	39,850

The financial statements on pages 4 to 11 were approved by the trustees, and authorised for issue on 31 January 2023 and signed on their behalf by:

*K Mehrban*  
.....  
Mr Khizar Mehrban  
Chairman

**Raza Education Centre**  
**known as Raza Academy**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**1 Accounting policies**

**Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

**Basis of preparation**

Raza Education Centre meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

**Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**Income and endowments**

**Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

## **Raza Education Centre**

### **known as Raza Academy**

#### **Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

##### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

#### **2 Income from charitable activities**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
	84,864	84,864
<b>Total for 2022</b>	84,864	84,864
<b>Total for 2021</b>	55,488	55,488

#### **3 Expenditure on charitable activities**

**Raza Education Centre**  
**known as Raza Academy**

**Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

	Note	Unrestricted funds General £	Total funds £
Governance costs		79,106	79,106
<b>Total for 2021</b>		<u>15,638</u>	<u>15,638</u>

**4 Analysis of governance and support costs**

**Governance costs**

	Unrestricted funds General £	Total funds £
Staff costs		
Wages and salaries	71,610	71,610
Audit fees		
Audit of the financial statements	420	420
Other fees paid to auditors	1,100	1,100
Depreciation, amortisation and other similar costs	346	346
Other governance costs	5,372	5,372
Allocated support costs	258	258
<b>Total for 2022</b>	<u>79,106</u>	<u>79,106</u>
<b>Total for 2021</b>	<u>15,638</u>	<u>15,638</u>

**5 Net incoming/outgoing resources**

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	420	360
Depreciation of fixed assets	<u>346</u>	<u>40</u>

**6 Trustees remuneration and expenses**

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

**Raza Education Centre**  
**known as Raza Academy**

**Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

**7 Staff costs**

The aggregate payroll costs were as follows:

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>71,610</u>	<u>12,424</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2022</b> <b>No</b>	<b>2021</b> <b>No</b>
Employees	<u>11</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year

**Raza Education Centre**  
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**Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

**8 Auditors' remuneration**

**9 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**10 Tangible fixed assets**

	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 September 2021	200	200
Additions	1,568	1,568
At 31 August 2022	1,768	1,768
<b>Depreciation</b>		
At 1 September 2021	40	40
Charge for the year	346	346
At 31 August 2022	386	386
<b>Net book value</b>		
At 31 August 2022	1,382	1,382
At 31 August 2021	160	160

**11 Cash and cash equivalents**

	<b>2022 £</b>	<b>2021 £</b>
Cash at bank	45,878	40,750

**12 Creditors: amounts falling due within one year**

	<b>2022 £</b>	<b>2021 £</b>
Other taxation and social security	132	-
Accruals	1,520	1,060
	1,652	1,060

**Raza Education Centre**  
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**Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)**

**13 Funds**

	<b>Balance at 1 September 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 August 2022 £</b>
<b>Unrestricted funds</b>				
General	39,850	84,864	(79,106)	45,608
		<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 August 2021 £</b>
<b>Unrestricted funds</b>				
General		55,488	(15,638)	39,850

**14 Analysis of net funds**

	<b>At 1 September 2021 £</b>	<b>At 31 August 2022 £</b>
Cash at bank and in hand	40,750	40,750
Net debt	40,750	40,750
	<b>At 1 September 2020 £</b>	<b>At 31 August 2021 £</b>
Net debt	-	-



**Raza Education Centre**  
**known as Raza Academy**

**Statement of Financial Activities by fund for the Year Ended 31 August 2022**

	<b>Total Unrestricted Funds 2022 £</b>	<b>Total Unrestricted Funds 2021 £</b>
<b>Income and Endowments from:</b>		
Charitable activities	<u>84,864</u>	<u>55,488</u>
Total income	<u>84,864</u>	<u>55,488</u>
<b>Expenditure on:</b>		
Charitable activities	<u>(79,106)</u>	<u>(15,638)</u>
Total expenditure	<u>(79,106)</u>	<u>(15,638)</u>
Net income	<u>5,758</u>	<u>39,850</u>
Net movement in funds	5,758	39,850
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>39,850</u>	<u>-</u>
Total funds carried forward	<u><u>45,608</u></u>	<u><u>39,850</u></u>

**Raza Education Centre**  
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**Detailed Statement of Financial Activities for the Year Ended 31 August 2022**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>		
Charitable activities (analysed below)	<u>84,864</u>	<u>55,488</u>
Total income	<u>84,864</u>	<u>55,488</u>
<b>Expenditure on:</b>		
Charitable activities (analysed below)	<u>(79,106)</u>	<u>(15,638)</u>
Total expenditure	<u>(79,106)</u>	<u>(15,638)</u>
Net income	<u>5,758</u>	<u>39,850</u>
Net movement in funds	5,758	39,850
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>39,850</u>	<u>-</u>
Total funds carried forward	<u><u>45,608</u></u>	<u><u>39,850</u></u>

**Raza Education Centre**  
**known as Raza Academy**

**Detailed Statement of Financial Activities for the Year Ended 31 August 2022 (continued)**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<i><b>Charitable activities</b></i>		
General Donations	84,864	55,488
	<u>84,864</u>	<u>55,488</u>
<i><b>Charitable activities</b></i>		
Wages and salaries	(71,610)	(12,424)
Insurance	(559)	(571)
Printing, postage and stationery	(279)	(1,136)
Islamic Books and Essentials	(2,993)	(407)
Events	(200)	-
Sundry expenses	(71)	-
Uniforms	(1,270)	-
Accountancy fees	(1,100)	(700)
The audit of the charity's annual accounts	(420)	(360)
Depreciation of office equipment	(346)	(40)
Sundry expenses	(258)	-
	<u>(79,106)</u>	<u>(15,638)</u>

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**Independent Examiner's Report to the trustees of Raza Education Centre**

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31 January 2023