

Charity registration number 1191989 (England and Wales)

MUSLIM STUDENT CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

MUSLIM STUDENT CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr M Kozbar	
Ms Z Mohammed	
Mr M A Rehman	
Mr N Tamimi	
Osama Faour	(Appointed 16 February 2025)
Abdelrahman Rizk	(Appointed 16 February 2025)
Ms Fatma Halawa	(Appointed 16 February 2025)

Charity number

1191989

Independent Examiner

ZAM Mushtaq Ltd
Office 9
Dalton House
60 Windsor Avenue
London
SW19 2RR

MUSLIM STUDENT CHARITY

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MUSLIM STUDENT CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The trustees present their annual report and financial statements for the year ended 30 September 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the 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 2019).

Objectives and activities

The Muslim Student Charity (MSC) was originally established in 1968 under the number 259232. The charity was registered as Charitable Incorporated Organisation (CIO) on 26 October 2020, under the number 1191989. It is dedicated to improving Muslim students' welfare and developmental needs within the British higher and further education system.

The charity's objectives are unique, as indeed MSC is in this field of student welfare; MSC seeks to acquire long-term "Waqf" investments aimed at generating a sustainable income to financially support the core activities of Muslim Students in the UK. The charity is aiming to purchase and make available high-quality accommodation for Muslim Students.

MSC also works to support campuses' Islamic education and development work of Student Islamic Societies by providing them with event sponsorship, logistical support, free or subsidised brochure literature, and materials, etc. MSC continues to develop tomorrow's community leaders by providing effective support and Islamic guidance to young Muslim Students through necessary leadership development programmes, residential and tours designed to expose and give young leaders access to renowned scholars.

Strategies

The Trust plans to further deliver its projects and services to a higher quality. The trust (Waqf) also intends to continue developing partnerships with more organisations to benefit a wider range of Muslim Students.

MSC strives to provide Muslim students with the necessary training and guidance through true Islamic teachings of moderation, tolerance, and consideration. It also helps them achieve excellence.

We seek to make this Trust more durable and beneficial for the Muslim student community. The core part of our strategy is student welfare, raising awareness of tolerant Islamic values, and constructive coexistence on campuses. As well as preparing future knowledgeable and responsible leaders for Muslims and the wider community.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant Activities

Over this financial year, the MSC continued to serve Muslim students mainly by providing accommodation in a healthy and friendly environment. The effects of the global Coronavirus COVID-19 pandemic are still haunting us and affecting the charity's activities but to a lesser extent. MSC also continued to work and collaborate with other UK organisations including the Federation of Student Islamic Societies (FOSIS).

Having adopted a clear vision of the future of the charity, centred on the development of the student accommodation building, the board of Trustees worked with a project manager to execute the elaborated plan for the refurbishment project. The application has been submitted to the Brent Council.

Grant making policies

MUSLIM STUDENT CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The charity continues to support the activities of Muslim students through supporting projects run by Student Islamic Societies in both further and higher education in the United Kingdom and in coordination with FOSIS as the national umbrella organisation for Muslim students in the UK.

Achievements and performance

The charity continues to use part of its surplus funds for the year to support the activities of Muslim students in the UK.

Fundraising activities

The charity primarily raises its funds from the rental income of its investment property where also the principal office is situated at.

Investment performance

The trustees continue to maintain the property to ensure that it is of a good standard and ensure that the funds generated are efficiently and effectively maintained.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk Policy

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks, especially the finances, which are kept under review.

Plans for future periods

To continue to serve the Muslim student community.

To improve our services.

To complete the planning application for the building renovation, securing consent that enhances the property's value and marketability, enabling either refurbishment to increase income or divestment at an improved valuation.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an charitable incorporated organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr M Kozbar

Ms Z Mohammed

Mr O Sawalha

(Resigned 16 February 2025)

Mr M A Rehman

Mrs A Said

(Resigned 16 February 2025)

Mr N Tamimi

Osama Faour

(Appointed 16 February 2025)

Abdelrahman Rizk

(Appointed 16 February 2025)

Ms Fatma Halawa

(Appointed 16 February 2025)

Recruitment and appointment of new trustees

MUSLIM STUDENT CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The existing trustees are responsible for the recruitment of the new trustees.

The trustees believe this approach ensures that new trustees are respected members of the Muslim student community and ensures that they are served by the best possible manner.

In selecting new trustees, we seek to identify people who are or were active within student institutions and are willing to volunteer to help make a positive impact on student's lives. The process allows due consideration of the person's eligibility, personal competence, and interests in students' development wellbeing.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. the trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body regularly and are responsible for all decisions taken in relation to running the charity. To assist in the smooth running of the charity the trustees have appointed an administrator to help them with the day-to-day running and management and report back with his remarks and recommendations to the full meeting of the trustees chaired by the chair of the trustees.

Induction and training of new trustees

Following appointment, new trustees are introduced to their new role and given a copy of the trust deed and a guide to the policies and procedures adopted by our charity. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act and initially assisted by existing trustees on particular activities and projects.

Property Valuation

As part of our ongoing commitment to maximizing the charity's resources, the Trustees are actively progressing plans to renovate and redevelop the property. As part of the formal planning application process with the local authority, we commissioned a comprehensive RICS-approved structural and valuation report.

The RICS valuation assessed the property at £1,270,000, based strictly on its current state and existing use as student accommodation. This differs from prior commercial market estimates provided by local estate agents (circa £2.75m), which factored in development potential for sale on the open market.

The Trustees have reviewed advice from our professional advisors and to ensure full transparency and compliance with financial reporting standards, wish to bring to the attention of the readers of the accounts, the current state of the property. We remain confident that our proposed development plans will unlock the full potential and long-term value of the property for the charity's beneficiaries.

No change has been made to the carrying value of the asset. Further valuations will be obtained to assess the market value of the land.

The trustees' report was approved by the Board of Trustees.

Mr N Tamimi

Trustee

27 July 2026

MUSLIM STUDENT CHARITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MUSLIM STUDENT CHARITY

I report to the trustees on my examination of the financial statements of Muslim Student Charity (the charity) for the year ended 30 September 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

I have completed my examination. I confirm that no 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 the charity as required by section 130 of the Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

ZAM Mushtaq Ltd

Office 9
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60 Windsor Avenue
London
SW19 2RR
27 July 2026

MUSLIM STUDENT CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	3	-	995
Investments	4	66,265	73,365
Total income		66,265	74,360
Expenditure on:			
Raising funds	5	44,188	38,072
Charitable activities	6	28,022	11,400
Total expenditure		72,210	49,472
Net income/(expenditure) and movement in funds		(5,945)	24,888
Reconciliation of funds:			
Fund balances at 1 October 2024		2,922,683	2,897,795
Fund balances at 30 September 2025		2,916,738	2,922,683

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

MUSLIM STUDENT CHARITY

BALANCE SHEET

AS AT 30 SEPTEMBER 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Investment property	13		2,750,000		2,750,000
Current assets					
Cash at bank and in hand		168,615		174,560	
Creditors: amounts falling due within one year	14	(1,877)		(1,877)	
Net current assets			166,738		172,683
Total assets less current liabilities			2,916,738		2,922,683
The funds of the charity					
Unrestricted funds	15		2,916,738		2,922,683
			2,916,738		2,922,683

The financial statements were approved by the trustees on 27 July 2026

Mr N Tamimi
Trustee

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

Charity information

Muslim Student Charity is charitable incorporated organisation. The charity number is 1191989. The principal place of activity is 38 Mapesbury Road, London, NW2 4JD.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	-	995

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	66,265	73,365

5 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Staff costs	15,704	12,000
Investment management	28,484	26,072
Total costs	44,188	38,072

6 Expenditure on charitable activities

	unrestricted funds 2025 £	unrestricted funds 2024 £
Direct costs		
Depreciation and impairment	-	199
Grant funding of activities (see note 7)	10,120	-
Share of support and governance costs (see note 8)		
Support	83	224
Governance	17,819	10,977
	28,022	11,400
Analysis by fund		
Unrestricted funds	28,022	11,400

7 Grants payable

	FOSIS 2025 £
Grants to institutions (3 grants):	
FOSIS	10,120

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

7 Grants payable (Continued)

-

8 Support costs

	Support costs £	Governance costs £	2025 Support costs £	Governance costs £	2024 £
Sundries	83	-	83	224	224
Legal and professional	-	16,749	16,749	-	9,907
Accountancy fees	-	1,070	1,070	-	1,070
	<u>83</u>	<u>17,819</u>	<u>17,902</u>	<u>224</u>	<u>11,201</u>
Analysed between					
Charitable activities	<u>83</u>	<u>17,819</u>	<u>17,902</u>	<u>224</u>	<u>11,201</u>

9 Net movement in funds

2025
£

2024
£

The net movement in funds is stated after charging/(crediting):

Fees payable for the independent examination of the charity's financial statements

-

Depreciation of owned tangible fixed assets

-

199

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Property management and rent collection	<u>1</u>	<u>1</u>

Employment costs

	2025 £	2024 £
Wages and salaries	<u>15,704</u>	<u>12,000</u>

There were no employees whose annual remuneration was more than £60,000.

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

11 Employees

(Continued)

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Investment property

2025
£

Fair value

At 1 October 2024 and 30 September 2025

2,750,000

Investment property comprises 38 Mapesbury Road, London, NW2 4JD.

During the financial year, the Trustees commissioned a formal valuation of the property by a RICS Registered Valuer to support ongoing planning permission and redevelopment studies. This valuation assessed the property's current market value at £1,270,000, reflecting its existing condition and current operational use as student accommodation.

The Trustees note that previous commercial estate agent appraisals yielded higher estimated asking prices (approximately £2,750,000). However, these informal estimates reflected prospective post-development potential rather than the property's formal current standing value.

The current inspection was to the internal and external parts of the property and did not appear to value the land on which the property resides.

Thus, the value of the asset has been kept at the historic values.

The value of the investment property was conducted on 25/9/25 by Lamar Chartered surveyors, who are not connected with the charity.

	2025 £	2024 £
Freehold	2,750,000	2,750,000

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	927	927
Accruals and deferred income	950	950
	1,877	1,877

MUSLIM STUDENT CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 October 2024	Incoming resources	Resources expended	At 30 September 2025
	£	£	£	£
General funds	2,922,683	66,265	(72,210)	2,916,738
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 October 2023	Incoming resources	Resources expended	At 30 September 2024
	£	£	£	£
General funds	2,897,795	74,360	(49,472)	2,922,683
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Related party transactions

There were no disclosable related party transactions during the year.