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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 OCTOBER 2023**

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

CONTENTS

|                                                                                | Page   |
|--------------------------------------------------------------------------------|--------|
| Reference and Administrative Details of the Charity, its Trustees and Advisers | 1      |
| Trustees' Report                                                               | 2 - 4  |
| Independent Examiner's Report                                                  | 5 - 6  |
| Statement of Financial Activities                                              | 7      |
| Balance Sheet                                                                  | 8      |
| Notes to the Financial Statements                                              | 9 - 15 |

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD ENDED 31 OCTOBER 2023

**Trustees**                      Mohamed MULLA, Chair  
                                         Sulaiman PATEL, Trustee  
                                         Dr Imran MULLA, Trustee  
                                         Zaid MUSTAFA, Trustee  
                                         Javeed Y PATE, Trustee  
                                         Mohammed R ISMAIL, Trustee  
                                         Ibrahim F ESSA, Trustee  
                                         Umare ISHAQ, Trustee  
                                         Iqramul H PATEL, Trustee  
                                         Zakaria M INGAR, Trustee  
                                         Ashraf H M NORAT, Trustee

**Charity registered number**                      1200619

**Principal office**                      25 Broad Oak Road  
                                         Bolton  
                                         BL3 2JA

**Accountants**                      Amex Associates Limited  
                                         Chartered Certified Accountants  
                                         Statutory Auditors  
                                         1st Floor  
                                         144-146 East Barnet Road  
                                         Barnet  
                                         London  
                                         EN4 8RD

**Bankers**                      Lloyds Bank

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## HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

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### TRUSTEES' REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

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The Trustees present their annual report together with the financial statements of the Hadhrat Shaykh Muhammad Zakariyya Foundation for the period 7 October 2022 to 31 October 2023.

The Hadhrat Shaykh Muhammad Zakariyya Foundation (the Foundation) is a Charitable Incorporated Organisation (CIO) established in 2022. The trustees present their report and the financial statements for the period ended 31 October 2023.

The Foundation is governed by its constitution, which sets out the powers and responsibilities of the trustees. The trustees are responsible for the overall strategic direction and oversight of the Foundation's activities

#### Objectives and activities

##### a. Objectives and activities

The objects of the CIO are:

**1. To Advance the Religion of Islam:**

o Holding prayer meetings, lectures, and public celebrations of religious festivals and events to enlighten others about the religion of Islam.

**2. To Advance the Education of Disadvantaged Young People:**

o Providing education in both Islamic and secular subjects to socially and/or economically disadvantaged young people in Greater Manchester and the surrounding areas. Partnering high quality volunteer tutors with pupils to help them progress in education, employment, or training.

#### Achievements and performance

##### a. Main achievements of the Charity

**Establishment and Acquisition:** In 2023, with the generous financial support of the local community, the Foundation purchased a 6,000 sqm site in the heart of the Rumworth ward of Bolton. This site had been derelict for over 25 years, contributing to anti-social behaviour and negatively impacting residents' wellbeing.

**Transformation and Development:** The Foundation aims to transform this site into a vibrant educational and community hub. This initiative is expected to serve as a catalyst for the broader regeneration of the neighbourhood, enhancing security, aesthetics, and reducing anti-social behaviour and crime.

**Educational Facility:** The planned educational facility will include:

- **State-of-the-Art Modular Buildings:** Two buildings incorporating 14 spacious classrooms, each equipped with the latest technology and modern amenities.
- **Special Educational Needs (SEND) Classrooms:** Two classrooms specifically designed for children with special educational needs.
- **Refectories and Administrative Offices:** Two well-equipped refectories and administrative offices to cater to the needs of students and staff.
- **Science and IT Laboratories:** State-of-the-art laboratories for teaching science and IT subjects.

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 OCTOBER 2023**

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**Financial review****a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

The trustees have established a reserves policy to ensure the financial stability of the Foundation and to protect its work against unexpected changes in income or expenditure. The reserves are maintained at a level that provides sufficient funds to cover management, administration, and support costs for a period of three months, which is set at £15,000.

**c. Income and expenditure**

The Foundation's activities have been funded primarily through donations from the local community. The financial statements for the period ended 31 October 2023 show a stable financial position, with significant contributions received towards the purchase and development of the site.

**Structure, governance and management****a. Constitution**

Hadhrat Shaykh Muhammad Zakariyya Foundation is a registered charity under charities commission (charity number 1200619), and is constituted under a Trust deed.

**b. Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**Plans for future periods**

The trustees are committed to the ongoing development of the educational and community centre. The next phase involves detailed planning and construction, with a target to complete the building works and commence educational activities by mid 2025. The Foundation will continue to engage with the local community to secure the necessary resources and support for this ambitious project.

**Public benefit**

The trustees confirm that they have complied with their duty under section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The Foundation's activities are intended to make a positive impact on the underprivileged children in Greater Manchester, particularly those with special educational needs. By providing access to quality education and resources, the Foundation aims to improve the lives of these children and contribute to the overall wellbeing of the community.

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

TRUSTEES' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 OCTOBER 2023

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

25 July 2024

Approved by order of the members of the board of Trustees on ..... and signed on their behalf by:



.....  
**Mohamed MULLA**  
(Chair of Trustees)

## HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

### INDEPENDENT EXAMINER'S REPORT FOR THE PERIOD ENDED 31 OCTOBER 2023

#### Independent Examiner's Report to the Trustees of Hadhrat Shaykh Muhammad Zakariyya Foundation ('the Charity')

We report to the charity Trustees on our examination of the accounts of the Charity for the period ended 31 October 2023.

#### Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

We report in respect of our examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out our examination we have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. We confirm that we are qualified to undertake the examination because we are a member of Association of Chartered Certified Accountants (ACCA), which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts 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) 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 been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us 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 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable 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.

We 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our work or for this report.

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

INDEPENDENT EXAMINER'S REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 OCTOBER 2023



.....  
B Alvi (FCCA)

*for and on behalf of*  
**Amex Associates Limited**

Chartered Certified Accountants  
Statutory Auditors

1st Floor  
144-146 East Barnet Road  
Barnet  
London  
EN4 8RD

Date: 25 July 2024 .....

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**


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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE PERIOD ENDED 31 OCTOBER 2023**


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|                                    |             | <b>Unrestricted<br/>funds<br/>Period ended<br/>31 October<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>Period ended<br/>31 October<br/>2023<br/>£</b> |
|------------------------------------|-------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| <b>Income from:</b>                | <b>Note</b> |                                                                              |                                                                       |
| Donations and legacies             | 2           | <b>672,626</b>                                                               | <b>672,626</b>                                                        |
| <b>Total income</b>                |             | <b>672,626</b>                                                               | <b>672,626</b>                                                        |
| <b>Expenditure on:</b>             |             |                                                                              |                                                                       |
| Charitable activities              | 3           | <b>10,316</b>                                                                | <b>10,316</b>                                                         |
| Governance costs                   | 5           | <b>3,900</b>                                                                 | <b>3,900</b>                                                          |
| <b>Total expenditure</b>           |             | <b>14,216</b>                                                                | <b>14,216</b>                                                         |
| <b>Net movement in funds</b>       |             | <b>658,410</b>                                                               | <b>658,410</b>                                                        |
| <b>Reconciliation of funds:</b>    |             |                                                                              |                                                                       |
| Net movement in funds              |             | <b>658,410</b>                                                               | <b>658,410</b>                                                        |
| <b>Total funds carried forward</b> |             | <b>658,410</b>                                                               | <b>658,410</b>                                                        |

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 9 to 15 form part of these financial statements.

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

BALANCE SHEET  
AS AT 31 OCTOBER 2023

|                                                         | Note | 2023<br>£        |
|---------------------------------------------------------|------|------------------|
| <b>Fixed assets</b>                                     |      |                  |
| Tangible assets                                         | 8    | 880,000          |
|                                                         |      | <u>880,000</u>   |
| <b>Current assets</b>                                   |      |                  |
| Cash at bank and in hand                                |      | 30,310           |
|                                                         |      | <u>30,310</u>    |
| Creditors: amounts falling due within one year          | 9    | (55,900)         |
|                                                         |      | <u>(55,900)</u>  |
| <b>Net current liabilities</b>                          |      | (25,590)         |
|                                                         |      | <u>(25,590)</u>  |
| <b>Total assets less current liabilities</b>            |      | 854,410          |
|                                                         |      | <u>854,410</u>   |
| Creditors: amounts falling due after more than one year | 10   | (196,000)        |
|                                                         |      | <u>(196,000)</u> |
| <b>Net assets excluding pension asset</b>               |      | 658,410          |
|                                                         |      | <u>658,410</u>   |
| <b>Total net assets</b>                                 |      | <u>658,410</u>   |
|                                                         |      | <u>658,410</u>   |
| <b>Charity funds</b>                                    |      |                  |
| Unrestricted funds                                      | 11   | 658,410          |
|                                                         |      | <u>658,410</u>   |
| <b>Total funds</b>                                      |      | <u>658,410</u>   |
|                                                         |      | <u>658,410</u>   |

25 July 2024

The financial statements were approved and authorised for issue by the Trustees on ..... and signed on their behalf by:



.....  
**Mohamed MULLA**  
(Chair of Trustees)

The notes on pages 9 to 15 form part of these financial statements.

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023**

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**1. Accounting policies****1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity 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.

**1.2 Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**1.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023**

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**1. Accounting policies (continued)****1.4 Tangible fixed assets and depreciation (continued)**

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                   |   |
|-------------------|---|
| Freehold property | - |
|-------------------|---|

**1.5 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.6 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**1.7 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023**


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**2. Income from donations and legacies**

|           | Unrestricted<br>funds<br>Period<br>ended<br>31 October<br>2023<br>£ | Total<br>funds<br>Period<br>ended<br>31 October<br>2023<br>£ |
|-----------|---------------------------------------------------------------------|--------------------------------------------------------------|
| Donations | 672,626                                                             | 672,626                                                      |
|           | <u>672,626</u>                                                      | <u>672,626</u>                                               |

**3. Analysis of expenditure on charitable activities**
**Summary by fund type**

|              | Unrestricted<br>funds<br>Period<br>ended<br>31 October<br>2023<br>£ | Total<br>Period<br>ended<br>31 October<br>2023<br>£ |
|--------------|---------------------------------------------------------------------|-----------------------------------------------------|
| Unrestricted | 10,316                                                              | 10,316                                              |
|              | <u>10,316</u>                                                       | <u>10,316</u>                                       |

**4. Analysis of expenditure by activities**

|              | Support<br>costs<br>Period<br>ended<br>31 October<br>2023<br>£ | Total<br>funds<br>Period<br>ended<br>31 October<br>2023<br>£ |
|--------------|----------------------------------------------------------------|--------------------------------------------------------------|
| Unrestricted | 10,316                                                         | 10,316                                                       |
|              | <u>10,316</u>                                                  | <u>10,316</u>                                                |

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**HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION**


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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023**


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**4. Analysis of expenditure by activities (continued)****Analysis of support costs**

|                                         | <b>Unrestricted<br/>Period<br/>ended<br/>31 October<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>Period<br/>ended<br/>31 October<br/>2023<br/>£</b> |
|-----------------------------------------|------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Legal, professional and consultancy fee | 10,069                                                                 | <b>10,069</b>                                                             |
| Bank charges and other financial costs  | 247                                                                    | <b>247</b>                                                                |
| <b>Total 2023</b>                       | <u>10,316</u>                                                          | <u><b>10,316</b></u>                                                      |

**5. Governance costs**

|                                             | <b>Unrestricted<br/>funds<br/>Period<br/>ended<br/>31 October<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>Period<br/>ended<br/>31 October<br/>2023<br/>£</b> |
|---------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Independent examiner's fee                  | 1,500                                                                            | <b>1,500</b>                                                              |
| Independent examiner's fee - all other fees | 2,400                                                                            | <b>2,400</b>                                                              |
| <b>Total 2023</b>                           | <u>3,900</u>                                                                     | <u><b>3,900</b></u>                                                       |

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023

6. Independent examiner's remuneration

|                                                                                                                     | Period ended<br>31 October<br>2023<br>£ |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts | 1,500                                   |
| Fees payable to the Charity's independent examiner in respect of:<br>All other services not included above          | 2,400                                   |

7. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits.

During the period ended 31 October 2023, no Trustee expenses have been incurred.

8. Tangible fixed assets

|                          | Freehold property<br>£ |
|--------------------------|------------------------|
| <b>Cost or valuation</b> |                        |
| Additions                | 880,000                |
| At 31 October 2023       | 880,000                |
| <b>Net book value</b>    |                        |
| At 31 October 2023       | 880,000                |

Included in the freehold property cost above is the land cost of £880,000 which is not depreciated.

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023

9. Creditors: Amounts falling due within one year

|                              | 2023<br>£     |
|------------------------------|---------------|
| Other loans                  | 52,000        |
| Accruals and deferred income | 3,900         |
|                              | <u>55,900</u> |

Included in other loans above is the short term interest free loan of £52,000 provided by general public to Hadhrat Shaykh Muhammad Zakariyya Foundation. This loan will be returned in full without any interest/usury at the earlist opportunity, when the Charity has reasonable amount of funds to repay the loan or on specific request, with reasonable notice period.

10. Creditors: Amounts falling due after more than one year

|             | 2023<br>£      |
|-------------|----------------|
| Other loans | <u>196,000</u> |

Included in other loans above is the interest free loan of £196,000 provided by general public to Hadhrat Shaykh Muhammad Zakariyya Foundation. This loan will be returned in full without any interest/usury at the earlist opportunity, when the Charity has reasonable amount of funds to repay the loan or on specific request, with reasonable notice period.

HADHRAT SHAYKH MUHAMMAD ZAKARIYYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 OCTOBER 2023

11. Statement of funds

Statement of funds - current period

|                           | Income<br>£ | Expenditure<br>£ | Balance at<br>31 October<br>2023<br>£ |
|---------------------------|-------------|------------------|---------------------------------------|
| <b>Unrestricted funds</b> |             |                  |                                       |
| General Funds - all funds | 672,626     | (14,216)         | 658,410                               |