



# Oxford Centre for Islamic Studies

*An institution for the advanced study of Islam and the Muslim world*

## Audited Accounts

2021 / 22

OXFORD CENTRE FOR ISLAMIC STUDIES

Consolidated Financial Statements

for the year ended

31st March 2022

OXFORD CENTRE FOR ISLAMIC STUDIES  
Charity number 293072

**Trustees during the year**

HRH Prince Turki Al Faisal (Chairman)

HRH Sultan Nazrin Shah (Vice-Chair)

Mr Khalid Alireza

Tun Ahmad Sarji bin Abdul Hamid (deceased Aug 2021)

HE Dr Abdullah Gul

HE Dr Shaikh Mohammed Sabah Al Salem Al-Sabah

HE Sultan Muhammad Saad Abubakar

Rt Hon Dominic Grieve QC

HE Muhammad Jusuf Kalla

Tan Sri Datuk Zarinah Anwar

Professor Catherine Swales

Professor Rashid Naim

Professor Ulrike Roesler

Sir Martin Donnelly KCB CMG

**Secretary to the Board of Trustees and Director**

Dr Farhan Ahmad Nizami

OXFORD CENTRE FOR ISLAMIC STUDIES

<b>Registered Office</b>	Oxford Centre for Islamic Studies Marston Road Oxford OX3 0EE
<b>Charity registration no</b>	293072
<b>Solicitors</b>	Blake Morgan Seacourt Tower West Way Oxford OX2 0FB
<b>Bankers</b>	Barclays Bank Plc P.O. Box 858 Oxford OX2 0XP  NatWest Bank Plc 43 Cornmarket Street Oxford OX1 3HA
<b>Auditors</b>	Wenn Townsend Chartered Accountants 30 St Giles Oxford OX1 3LE
<b>Investment advisors/brokers</b>	Allianz Global Investors Europe 155 Bishopsgate London EC2M 3AD  Deutsche Bank AG London Private Wealth Management 1 Great Winchester Street London EC2N 2DB  Julius Baer International Ltd. 1 St Martin's Le Grand London EC1A 4AS  CCLA Senator House 85 Queen Victoria Street London EC4V 4ET  Cazenove Capital Schroder & Co Limited 1 London Wall Place London EC2Y 5AU



## OXFORD CENTRE FOR ISLAMIC STUDIES

### **Report of the Trustees for the year ended 31st March 2022**

The Trustees have pleasure in submitting the report and the accounts for the year ended 31st March 2022.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

Details of the Trustees, Secretary to the Board of Trustees and Director, registered office address, and particulars of the charity's professional advisers are given on the previous two pages.

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

##### **Organisational structure**

The Trustees have ultimate responsibility for all aspects of the work of the Oxford Centre for Islamic Studies, its academic, financial, investment policy and strategic direction. They have delegated the day-to-day management of the Centre to its Director, who operates through his departmental heads. The co-ordination of the work of the Centre is the responsibility of the Director.

The Trustees maintain contact with the Charity through the Director and the system of committees detailed in the Annual Report.

The Centre's relationship with its subsidiaries is also detailed in the Annual Report.

##### **Key Management Personnel**

The Charity's Trustees and the senior management team comprises the key management personnel of the charity in charge of directing, controlling and running of the charity on a day to day basis.

All Trustees give of their time freely and no Trustees received remuneration for their role in the year. The pay of the senior staff made up of the Director, Registrar, Home Bursar, Investment Bursar and Deputy Registrar is reviewed annually and increased in accordance with the cost of living increment agreed more widely in Oxford.

##### **Governing Document**

The Oxford Centre for Islamic Studies is governed in accordance with the Royal Charter granted on 20th April 2012 and the Statutes made under the Charter. It is registered as a charity number 293072, and is considered to have no liability to taxation on its income.

##### **Trustees Induction and Training**

Trustees are appointed by election in accordance with the Royal Charter and Statutes, serve for a term of five years and are eligible for re-election at the end of that period. The University of Oxford may nominate for election two of the Trustees (out of the maximum total of fourteen) and Trustees thus appointed also serve for a five year term.

The election of Trustees is preceded by consultation to ensure they are aware of the aims and objectives of the charity and their responsibilities.

##### **Principal Risks and Uncertainties**

The Trustees have assessed and continue to reassess the major risks to which the charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the charity's exposure to the major risks. Professional advice has been taken on all aspects of security, fire and health and safety at the Centre's new building. The Security, Fire, Health and Safety Policies are documented and reviewed annually. Training is provided as required. The Lodge is permanently manned. Staff are aware of safety procedures and a serious incident reporting procedure and register is in place. The Centre's IT system is managed securely and with necessary infrastructure safeguards in place. Insurances and preventative maintenance contracts are appropriate and fully up to date. Trustees have reviewed the potential impact of COVID-19 on the charity and are satisfied that there is no material uncertainty re going concern.

## OXFORD CENTRE FOR ISLAMIC STUDIES

### **Report of the Trustees for the year ended 31st March 2022**

#### **Related Party**

The Oxford Centre for Islamic Studies owns four subsidiary companies namely Oxcis Limited, Oxford Endeavours Limited, Oxford Real Estate Limited and Oxford Islamic Finance Limited.

#### **Consolidated accounts**

For the financial period under review, consolidated accounts have been prepared to include the results of the wholly owned subsidiary companies of the Charity.

### **OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS OF THE CHARITY**

The sole purpose of the charity is to promote an understanding of Islam and the Islamic World, in accordance with the Royal Charter. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities. The Oxford Centre for Islamic Studies is an academic institution which, by means of the pursuit of excellence in its teaching, research and publication, aims to promote a more informed understanding of the Islamic World. During the year under review the Centre maintained its teaching, research, publishing and outreach activities. The charity will continue to invest in assets that maximise capital growth and yield satisfactory income to fund development of the Centre. A more indepth review of the above is covered in the main Annual Report.

#### **FINANCIAL REVIEW**

The financial position of the Oxford Centre for Islamic Studies is set out on pages 12 to 29 and the Trustees consider that satisfactory progress is being made towards the attainment of the charity's objectives. The performance of the investments portfolio and the results of the subsidiary companies are regarded as satisfactory.

#### **Fund raising standards information**

During the year under review the charity did not raise any funds directly from the public nor did it use professional fundraisers or involve commercial participants for the purposes of fund raising.

#### **Investment powers and policy**

The investment objective, as agreed by the Trustees, is to achieve sufficient capital and income growth, which over the long term will maintain the real value of the assets. The Trustees continue to review their Investment Policy which holds separate portfolios for the Investment and Reserves Funds. On near completion of the building project, the funds were rebalanced to reflect the level of reserves the Trustees felt were necessary to protect the Charity's ongoing commitments. There are no specific restrictions on investments other than that they should be suitable for the Charity.

The Trustees appoint professional managers to manage investments on behalf of the charity. The activities of the investment managers are appraised periodically in terms of performance and compliance with their respective mandates which include social, environmental and ethical considerations. A list of investment managers in place are included on the information page.

**Report of the Trustees  
for the year ended 31st March 2022**

**Reserves policy**

The policy of the Trustees is to use income fund to support the objects of the charity and also to accumulate the operating surpluses and necessary fixed assets, to build up a financial reserve of a sum equivalent to not more than nine months of general fund operating costs. The level of all reserves is monitored and reviewed by the Trustees at least once a year.

General reserves were in surplus at the year-end by £6,572,861 of this £743,775 was held as fixed assets, and £4,946,000 designated for specific future use as detailed in note 14, leaving £883,086 of free reserves in the general fund at the year end date. The Trustees aim to maintain reserves of not more than nine months expenditure c £3m, the trustees remain mindful that further substantial funds will need to be raised in the future to attain sufficient free reserves and operating surplus position in the general funds.

**FUTURE PLANS**

The immediate goal of the charity is to mobilise benefactions in order to endow its operational costs and expand its academic activities in support of its overall objectives.

**Trustees' responsibilities statement**

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).

The law applicable to charities in England & Wales 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 2019 (FRS 102);
- make judgments 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;
- 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 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 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditors**

A resolution will be proposed to re-appoint the auditors at the forthcoming annual trustees meeting.

**Signed on behalf of the Trustees on :**

**Trustee**

**Trustee**



**Independent Auditors' Report  
for the year ended 31st March 2022**

**Opinion**

We have audited the financial statements of Oxford Centre for Islamic Studies Charity (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31st March 2022, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

[continued ...]

**Independent Auditors' Report  
for the year ended 31st March 2022**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

**Reasonable assurance**

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;

**Independent Auditors' Report  
for the year ended 31st March 2022**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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 audit 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 auditor'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 audit work, for this report, or for the opinions we have formed.

**Wenn Townsend, Statutory Auditor**  
**Chartered Accountants and Registered Auditors**  
**30 St Giles**  
**Oxford**

..... 2022

**Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.**

OXFORD CENTRE FOR ISLAMIC STUDIES

**Consolidated Statement of Financial Activities  
for the year ended 31st March 2022**

	Note	General and designated funds £	Restricted funds £	Endowment funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Income From:</b>						
Donations and gifts		2,930,204	-	31,467	2,961,671	7,984,199
<b>Charitable Activities</b>	<b>5</b>	125,700	-	-	125,700	129,291
<b>Investment income</b>	<b>6</b>	136	28	2,216,219	2,216,383	1,733,730
<b>Total income</b>		<b>3,056,040</b>	<b>28</b>	<b>2,247,686</b>	<b>5,303,754</b>	<b>9,847,220</b>
<b>Expenditure as:</b>						
<b>Cost of raising funds</b>						
Costs of raising voluntary income		1,114	-	-	1,114	517
Investment management fees		-	-	183,028	183,028	154,015
Development		76,844	-	-	76,844	17,262
Trust administration		37,645	-	-	37,645	5,287
		<b>115,603</b>	<b>-</b>	<b>183,028</b>	<b>298,631</b>	<b>177,081</b>
<b>Charitable Activities</b>						
Centre		3,341,363	-	-	3,341,363	2,871,884
Fellowships and Scholarships		1,376,853	-	-	1,376,853	1,424,930
Publications		88,216	-	-	88,216	93,472
Conferences & Events		16,183	-	-	16,183	1,892
		<b>4,822,615</b>	<b>-</b>	<b>-</b>	<b>4,822,615</b>	<b>4,392,178</b>
<b>Total expenditure</b>	<b>7</b>	<b>4,938,218</b>	<b>-</b>	<b>183,028</b>	<b>5,121,246</b>	<b>4,569,259</b>
<b>Net income / (expenses) for the year before transfers</b>		<b>(1,882,178)</b>	<b>28</b>	<b>2,064,658</b>	<b>182,508</b>	<b>5,277,961</b>
Transfer between funds		2,216,219	-	(2,216,219)	-	-
<b>( Losses ) / Gains on investment assets:</b>		<b>-</b>	<b>-</b>	<b>7,104,829</b>	<b>7,104,829</b>	<b>13,243,580</b>
<b>Net movement in funds in year</b>		<b>334,041</b>	<b>28</b>	<b>6,953,268</b>	<b>7,287,337</b>	<b>18,521,541</b>
Total funds brought forward		6,238,820	110,398,851	89,131,414	205,769,085	187,247,544
<b>Total funds carried forward</b>	<b>14</b>	<b>6,572,861</b>	<b>110,398,879</b>	<b>96,084,682</b>	<b>213,056,422</b>	<b>205,769,085</b>

Detailed Comparative Information is shown in Note 19

None of the trust's activities was acquired or discontinued during the above financial year.

There are no other recognised gains or losses in the above financial years.

OXFORD CENTRE FOR ISLAMIC STUDIES

**Consolidated Balance Sheet  
at 31st March 2022**

	Note	General and designated funds £	Restricted funds £	Endowment funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Tangible assets	8	743,775	111,259,293	5,618,393	117,621,460	117,088,242
Investments	9	5,186,740	-	89,891,837	95,078,577	85,808,284
		<u>5,930,515</u>	<u>111,259,293</u>	<u>95,510,230</u>	<u>212,700,038</u>	<u>202,896,526</u>
<b>Current assets</b>						
Debtors	10	153,968	4,801	311,189	469,958	272,027
Cash at bank		1,561,845	(861,065)	456,056	1,156,836	3,364,811
		<u>1,715,813</u>	<u>(856,264)</u>	<u>767,245</u>	<u>1,626,794</u>	<u>3,636,838</u>
<b>Creditors</b>						
Amounts falling due within one year	11	(335,467)	(4,150)	(192,793)	(532,410)	(501,934)
<b>Net current assets / (liabilities)</b>		<u>1,380,346</u>	<u>(860,414)</u>	<u>574,452</u>	<u>1,094,384</u>	<u>3,134,904</u>
<b>Provision for liabilities and charges</b>						
Pension scheme liability	12	(738,000)	-	-	(738,000)	(262,345)
<b>Net assets</b>		<u>6,572,861</u>	<u>110,398,879</u>	<u>96,084,682</u>	<u>213,056,422</u>	<u>205,769,085</u>
<b>Funds</b>	14	<u>6,572,861</u>	<u>110,398,879</u>	<u>96,084,682</u>	<u>213,056,422</u>	<u>205,769,085</u>

Approved by the Board of Trustees on :

Signed on its behalf by:

Trustee

Trustee

OXFORD CENTRE FOR ISLAMIC STUDIES

**Charity Balance Sheet  
at 31st March 2022**

	Note	General and designated funds £	Restricted funds £	Endowment funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Tangible assets	8	719,578	6,506,736	5,618,393	12,844,707	12,388,435
Investments	9	5,565,918	100,000	81,922,741	87,588,659	78,318,365
		<u>6,285,496</u>	<u>6,606,736</u>	<u>87,541,134</u>	<u>100,433,366</u>	<u>90,706,800</u>
<b>Current assets</b>						
Debtors	10	151,980	105,387,457	3,614,787	109,154,224	109,500,070
Cash at bank		1,138,192	(985,809)	423,651	576,034	2,138,739
		<u>1,290,172</u>	<u>104,401,648</u>	<u>4,038,438</u>	<u>109,730,258</u>	<u>111,638,809</u>
<b>Creditors</b>						
Amounts falling due within one year	11	(290,044)	-	(45,423)	(335,467)	(272,756)
<b>Net current assets</b>		<u>1,000,128</u>	<u>104,401,648</u>	<u>3,993,015</u>	<u>109,394,791</u>	<u>111,366,053</u>
<b>Provision for liabilities and charges</b>						
Pension scheme liability	12	(738,000)	-	-	(738,000)	(262,345)
<b>Net assets</b>		<u>6,547,624</u>	<u>111,008,384</u>	<u>91,534,149</u>	<u>209,090,157</u>	<u>201,810,508</u>
<b>Funds</b>		<u>6,547,624</u>	<u>111,008,384</u>	<u>91,534,149</u>	<u>209,090,157</u>	<u>201,810,508</u>

Approved by the Board of Trustees on :

Signed on its behalf by:

Trustee

Trustee

**Consolidated Cashflow statement for the year ended 31st March 2022**

		2022		2021
	£	£	£	£
<b>Net cash flow from operating activities</b>		(1,499,631)		3,687,161
<b>Returns on investments and servicing of finance</b>		2,216,383		1,733,730
<b>Capital expenditure and financial investment</b>				
Payments to acquire investments	(20,898,727)		(18,262,285)	
Payments to acquire tangible fixed assets	(759,264)		(298,099)	
Receipts from sale of investments	18,733,263		11,664,574	
Net movement in cashflows attributable to endowment fund investments	183,028		154,015	
		(2,741,699)		(6,741,795)
<b>Net cash flow before financing</b>		(2,024,947)		(1,320,904)
<b>Financing</b>				
Net movement in cashflows attributable to to endowment fund assets	(183,028)		(154,015)	
		(183,028)		(154,015)
<b>Increase / (Decrease) in cash in the year</b>		(2,207,975)		(1,474,909)

**Reconciliation of net incoming resources to net cashflow from operating activities**

	2022	2021
Net Incoming resources	182,508	5,277,961
Decrease / (Increase) in debtors	(197,931)	(29,489)
(Decrease) / Increase in creditors	506,129	46,255
Depreciation	226,046	126,164
Investment income	(2,216,383)	(1,733,730)
<b>Net cash flow from operating activities</b>	(1,499,631)	3,687,161

**Analysis of changes in net cash resources**

	At 1st April 2021	Cashflow	At 31st March 2022
Cash at bank and net cash resources	£3,364,811	(2,207,975)	£1,156,836

**Notes to the Accounts  
for the year ended 31st March 2022**

**1 Accounting policies**

The Centre is a Charitable Trust registered in England and Wales. The address of the registered office is given in the charity information page of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**a) Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

**b) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP.

Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

The charity receives government grants in respect of the Coronavirus Job Retention Scheme. These grants are recognised using the accrual model and as such are recorded in the income and expenditure statement / SOFA in the period in which the charity is entitled to such grants as a result of having furloughed staff members. During the period the charity received circa £85k, and given the amounts involved are not material to the charity this has been reported as a reduction in staff costs in the accounts as opposed to grant income.



**Notes to the Accounts  
for the year ended 31st March 2022**

**Accounting policies (continued)**

**c) Donations**

Benefactions for endowment, research grants and donations for earmarked purposes are allocated to appropriate funds and similarly related expenditure is charged directly to these funds. Donated goods and services are included at cost or fair value at the time of donation. All donations are taken into account when receivable.

**d) Depreciation**

Depreciation of fixed assets is calculated using rates and bases which are appropriate to the useful lives of the assets and their residual values and were as follows:

Furniture and equipment	15% Reducing balance
Computers	33.33 % Straight line

No depreciation is provided on the freehold buildings as the Trustees ensure that the buildings are fully maintained and an annual impairment review is performed so as to extend their lives indefinitely. It is therefore considered inappropriate to charge depreciation in these circumstances. The leasehold property used in the charity's operations is depreciated evenly over the remaining life of the lease. Leasehold property held for investment is not depreciated, but included at market value.

**e) Taxation**

As a registered charity, the Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

**f) Tangible Fixed Assets**

Tangible fixed assets costing over £500 are capitalised.

Leasing rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**g) Realised and unrealised gains and losses**

On the sale of investments, realised gains and losses are accounted for in the appropriate funds. At the year end all investments held are valued at fair value and unrealised gains and losses on revaluation are recognised in the appropriate funds.

**h) Foreign currencies**

Assets denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Exchange gains and losses are written off to revenue in the year and arise purely from normal currency conversion transactions.

**i) Investments**

Quoted investments are valued at their fair value.

Investment properties are valued at fair value. Any aggregate surplus is recognised in the appropriate Funds.

No depreciation is provided in respect of the freehold investment property; the trustees consider the accounting policy results in the accounts giving a true and fair view.

**Notes to the Accounts  
for the year ended 31st March 2022**

**Accounting policies (continued)**

**j) Investment income**

Dividend income is accounted for on the basis of the dividends received.

**k) Expenditure**

Expenditure is recognised when a liability is incurred at the transaction price.

Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. The Trustees consider that all the expenditure is charitable expenditure in accordance with the objects of the charity as laid down within the Trust Deed.

All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities.

**l) Grants payable or receivable**

Grants payable or receivable are recognised in the accounts as and when they become due for payment or receipt. Income is deferred when sums are received in advance for the accounting period to which they relate. Where they are recognised in the financial statements, gifts in kind or donated services are included at fair value on the date of receipt.

**m) Group Financial Statements**

These financial statements consolidate the results of the Charity and its subsidiary undertakings on a line by line basis. A separate statement of financial activities for the charity is not presented because the Charity has taken advantage of the provisions of paragraph 397 of the SORP. The charity balance sheet is presented as part of the financial statements.

**n) Pension costs**

The Centre participates in the Universities Superannuation Scheme ("the USS") and the University of Oxford Staff Pension Scheme ("the OSPS") on behalf of its staff. Both schemes are contributory defined benefit schemes (i.e. they provide benefits based on length of service and pensionable salary). The assets of USS and OSPS are each held in separate trustee administered funds. Both schemes are multi-employer schemes and the Centre is unable to identify its share of the underlying assets and liabilities of each scheme on a consistent and reasonable basis. Therefore, as required by FRS 102, the Centre accounts for the schemes as if they were defined contribution schemes. Both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102, the Centre has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

**o) Fund accounting**

General funds are unrestricted funds which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

The restricted funds is to be used for specific purposes as laid down by the benefactor.

Endowment funds represent capital which must be held permanently by the charity. Income derived from these funds is credited to the general and designated funds.

**p) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Centre to be able to continue as a going concern.

Trustees have reviewed the potential impact of COVID-19 on the charity and are satisfied that there is no material uncertainty re going concern.

**Notes to the Accounts  
for the year ended 31st March 2022**

**Accounting policies (continued)**

**q) Critical accounting judgements**

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multiemployer scheme is a scheme for entities not under common control and represents (typically) an industry - wide scheme such as that provided by USS and OSPS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in income or expenditure. The Trustees are satisfied that the schemes provided by USS and OSPS meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

**r) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements: Pension scheme liability

The Trustees are required to make assumptions on future staffing levels and appropriate discount rates when calculating the USS and OSPS pension scheme liability. These are included as best estimates at the date of calculation, but present a significant risk in potentially causing a material adjustment to the balance sheet.

**s) Maintenance of premises**

The cost of routine corrective maintenance is charged to the Statement of Financial Activities in the period it is incurred.

**t) Provisions**

Provisions are recognised when the Centre has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the obligation.

**u) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**v) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**w) Leases**

Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Notes to the Accounts  
for the year ended 31st March 2022**

<b>2 Staff costs comprise</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,926,623	1,842,616
Social security costs	196,809	192,102
Pension costs	197,878	178,451
Defined benefit schemes - Pension provision	475,655	8,117
Consultancy, Recruitment and agency costs etc.	107,636	138,977
	<u>2,904,601</u>	<u>2,360,263</u>

There were no outstanding or prepaid pension contributions at 31st March, 2022 (2021 Nil).

The trustees received no remuneration during the year. A professional indemnity insurance of £4,528 (2021 £5,942) was paid in respect of the Trustees.

During the year no trustees were reimbursed for travel related costs (2021 Nil).

Under the University scale A20 three employees are paid the professorial rate of £72,172 (2021 £72,172). In addition one employee also receives a distinction award £83,509 (2021 £83,509), Schedule I allowance £24,113 (2021 £23,757) and contributions to the pension fund of £37,615 (2021 £37,615). The total remuneration paid to the Key Management personnel in the year was £575,524.

**3 Average number of employees**

The average number of employees of the Centre excluding Trustees on a full time equivalent basis was as follows.

Centre	38	38
Teaching and research	11	11
Projects	1	3
Publications	1	2
Development	2	3
	<u>53</u>	<u>57</u>

**4 Net income**

This is stated after charging

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Auditors remuneration	36,223	32,909
Audit services	-	-
Other services	-	-
Depreciation	226,044	126,164

**5 Charitable Activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Centre		
Rental income	31,795	30,414
Other	93,905	98,877
	<u>125,700</u>	<u>129,291</u>

**6 Investment income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Listed securities	1,260,887	829,566
Bank deposits	297	2,868
Rental Income	955,199	901,296
	<u>2,216,383</u>	<u>1,733,730</u>

OXFORD CENTRE FOR ISLAMIC STUDIES

**Notes to the Accounts  
for the year ended 31st March 2022**

<b>7 Total expenditure</b>				<b>2022</b>	<b>2021</b>
	<b>General and designated funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>£</b>	<b>£</b>
Centre:					
Staff costs	1,790,168	-	-	1,790,168	1,234,468
Travel and communications	35,760	-	-	35,760	24,099
Properties & equipment running costs	1,001,648	-	-	1,001,648	1,257,980
Depreciation and amortisation	226,046	-	-	226,046	126,164
Legal Fees and charges	140,297	-	-	140,297	153,290
Guest expenses and common table	82,943	-	-	82,943	39,968
Administrative costs	64,501	-	-	64,501	35,915
	<b>3,341,363</b>	<b>-</b>	<b>-</b>	<b>3,341,363</b>	<b>2,871,884</b>
Investment portfolio management fees:	-	-	183,028	183,028	154,015
	<b>-</b>	<b>-</b>	<b>183,028</b>	<b>183,028</b>	<b>154,015</b>
Fellowships, scholarships and teaching:					
Fellowships and Scholarships	1,231,959	-	-	1,231,959	1,293,554
Library costs	142,812	-	-	142,812	130,773
Seminars expenses	2,082	-	-	2,082	603
	<b>1,376,853</b>	<b>-</b>	<b>-</b>	<b>1,376,853</b>	<b>1,424,930</b>
Publication:					
Staff costs	39,993	-	-	39,993	74,874
Other costs	48,223	-	-	48,223	18,598
	<b>88,216</b>	<b>-</b>	<b>-</b>	<b>88,216</b>	<b>93,472</b>
Cost of generating voluntary income					
Video, newsletters and brochures	1,114	-	-	1,114	517
Conferences and special events:					
Venues, travel and other costs	16,183	-	-	16,183	1,892
	<b>16,183</b>	<b>-</b>	<b>-</b>	<b>16,183</b>	<b>1,892</b>
Development:					
Staff costs	53,624	-	-	53,624	16,762
Travel	19,652	-	-	19,652	-
Administrative costs	2,180	-	-	2,180	-
Calendar	1,388	-	-	1,388	500
	<b>76,844</b>	<b>-</b>	<b>-</b>	<b>76,844</b>	<b>17,262</b>
Trust administration:					
Travel	-	-	-	-	1,215
Administrative costs	37,645	-	-	37,645	4,072
	<b>37,645</b>	<b>-</b>	<b>-</b>	<b>37,645</b>	<b>5,287</b>
Total	<b>4,938,218</b>	<b>-</b>	<b>183,028</b>	<b>5,121,246</b>	<b>4,569,259</b>

Notes to the Accounts  
for the year ended 31st March 2022

7 Total expenditure (continued)

	Staff Costs	Travel and communic- ations	Properties and Equipment running costs	Depreciation	Professional fees and charges	Fellowships and Scholarships	Other costs	Total £
<b>Expenditure analysis</b>								
Cost of raising funds								
Cost of raising voluntary income	-	-	-	-	-	-	1,114	1,114
Investment portfolio management fees	-	-	-	-	-	-	183,028	183,028
Development	76,844	-	-	-	-	-	-	76,844
	<u>76,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,142</u>	<u>260,986</u>
Charitable activities								
Centre	1,790,168	35,760	1,001,648	226,046	140,297	-	147,444	3,341,363
Fellowships and Scholarships (to individuals)	-	-	-	-	-	1,376,853	-	1,376,853
Publications	39,993	-	-	-	-	-	48,223	88,216
Conferences	-	-	-	-	-	-	16,183	16,183
	<u>1,830,161</u>	<u>35,760</u>	<u>1,001,648</u>	<u>226,046</u>	<u>140,297</u>	<u>1,376,853</u>	<u>211,850</u>	<u>4,822,615</u>
Governance costs								
Trust administration	-	-	-	-	-	-	37,645	37,645
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,645</u>	<u>37,645</u>
<b>Total expenditure year ended 31st March 2022</b>	<u>1,907,005</u>	<u>35,760</u>	<u>1,001,648</u>	<u>226,046</u>	<u>140,297</u>	<u>1,376,853</u>	<u>433,637</u>	<u>5,121,246</u>
<b>Total expenditure year ended 31st March 2021</b>	<u>1,326,104</u>	<u>25,314</u>	<u>1,257,980</u>	<u>126,164</u>	<u>153,290</u>	<u>1,424,930</u>	<u>255,477</u>	<u>4,569,259</u>

	Freehold Land and Buildings	Assets Under Construction	Residential Properties	Furniture and Equipment	Total £
<b>8 Fixed assets</b>					
<b>Group</b>					
<b>Cost:</b>					
At 1st April 2021	9,915,816	104,671,339	2,207,097	1,440,053	118,234,305
Additions	-	81,218	880	677,166	759,264
At 31st March 2022	<u>9,915,816</u>	<u>104,752,557</u>	<u>2,207,977</u>	<u>2,117,219</u>	<u>118,993,569</u>
<b>Depreciation and Amortisation:</b>					
At 1st April 2021	-	-	-	(1,146,063)	(1,146,063)
Charge for year	-	-	-	(226,046)	(226,046)
At 31st March 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,372,109)</u>	<u>(1,372,109)</u>
<b>Net book value</b>					
At 31st March 2022	<u>9,915,816</u>	<u>104,752,557</u>	<u>2,207,977</u>	<u>745,110</u>	<u>117,621,460</u>
At 31st March 2021	<u>9,915,816</u>	<u>104,671,339</u>	<u>2,207,097</u>	<u>293,990</u>	<u>117,088,242</u>
<b>Charity</b>					
<b>Cost:</b>					
At 1st April 2021	9,915,816	2,208,434	1,207,664	13,331,914	
Additions	-	880	677,168	678,048	
At 31st March 2022	<u>9,915,816</u>	<u>2,209,314</u>	<u>1,884,832</u>	<u>14,009,962</u>	
<b>Depreciation and Amortisation:</b>					
At 1st April 2021	-	-	(943,479)	(943,479)	
Charge for year	-	-	(221,776)	(221,776)	
At 31st March 2022	<u>-</u>	<u>-</u>	<u>(1,165,255)</u>	<u>(1,165,255)</u>	
<b>Net book value</b>					
At 31st March 2022	<u>9,915,816</u>	<u>2,209,314</u>	<u>719,577</u>	<u>12,844,707</u>	
At 31st March 2021	<u>9,915,816</u>	<u>2,208,434</u>	<u>264,185</u>	<u>12,388,435</u>	

**Notes to the Accounts  
for the year ended 31st March 2022**

**9 Investments**

Group	Investment Portfolio		Total £	Investment Properties	Total £
	Cash reserves	Quoted Investments			
<b>Market value</b>					
As at 1st April 2021	722,335	63,156,575	63,878,910	21,929,374	85,808,284
Additions	-	20,465,906	20,465,906	432,821	20,898,727
Disposals	(94,747)	(18,638,516)	(18,733,263)	-	(18,733,263)
Increase in market value	-	7,104,829	7,104,829	-	7,104,829
As at 31st March 2022	627,588	72,088,794	72,716,382	22,362,195	95,078,577

**Market value of :**

UK quoted investments as at 31st March 2022	29,713,559
Overseas quoted investments as at 31st March 2022	42,375,235

Investment properties was valued at 31st March, 2022 on the basis of an Open Market Valuation by the Trustees.  
The cost of the Investment properties was £18,977,752.

Charity	Investment Portfolio			Total £	Investment Properties	Total £
	Cash reserves	Quoted Investments	Unquoted Investments (Subsidiary Companies)			
<b>Market value</b>						
As at 1st April 2021	722,335	63,156,575	1,726,434	65,605,344	12,713,021	78,318,365
Additions	-	20,465,906	-	20,465,906	432,821	20,898,727
Disposals	(94,747)	(18,638,516)	-	(18,733,263)	-	(18,733,263)
Increase in market value	-	7,104,829	-	7,104,829	-	7,104,829
As at 31st March 2022	627,588	72,088,794	1,726,434	74,442,816	13,145,842	87,588,659

For details concerning the subsidiary companies see note 17.

**Market value of :**

UK quoted investments as at 31st March 2022	29,713,559
Overseas quoted investments as at 31st March 2022	42,375,235

Investment properties was valued at 31st March, 2022 on the basis of an Open Market Valuation by the Trustees.  
The cost of the Investment properties was £10,115,909.

OXFORD CENTRE FOR ISLAMIC STUDIES

**Notes to the Accounts  
for the year ended 31st March 2022**

<b>10 Debtors</b>	<b>Group</b>		<b>Charity</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accounts receivable	271,993	104,891	128,178	82,213
Prepayments and accrued income	193,164	161,245	193,164	161,245
Other taxes and social security	4,801	5,891	-	-
Amounts due from subsidiary undertakings	-	-	108,832,882	109,256,612
	<b>469,958</b>	<b>272,027</b>	<b>109,154,224</b>	<b>109,500,070</b>

**11 Liabilities:**

**Amounts falling due within one year**

Accounts payable	160,552	163,271	155,360	139,844
Accruals and deferred income	290,155	256,311	157,617	111,031
Other taxes and social security	81,704	82,352	22,490	21,881
	<b>532,410</b>	<b>501,934</b>	<b>335,467</b>	<b>272,756</b>

**12 Provision for liabilities and charges**

At start of year	262,345	254,228	262,345	254,228
(Credit)/Charged in the Statement of Financial Activities	475,655	8,117	475,655	8,117
At end of year	<b>738,000</b>	<b>262,345</b>	<b>738,000</b>	<b>262,345</b>

The above provision relates to USS and OSPS Pension deficits

**13 Deferred Income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Balance as at 1st April 2021	170,893	170,071
Amount realised to incoming resources	(170,893)	(170,071)
Amount deferred in year	172,818	170,893
Balance as at 31st March 2022	<b>172,818</b>	<b>170,893</b>



**Notes to the Accounts  
for the year ended 31st March 2022**

<b>14 Movements in Trust funds</b>	<b>Balance at 1st April 2021 £</b>	<b>Incoming Resources</b>	<b>Expenditure</b>	<b>Gains &amp; Losses</b>	<b>Transfers</b>	<b>Balance at 31st March 2022 £</b>
<b>Endowment funds</b>						
Fellowship and Scholarship funds	89,131,414	2,247,686	(183,028)	7,104,829	(2,216,219)	96,084,682
	89,131,414	2,247,686	(183,028)	7,104,829	(2,216,219)	96,084,682
<b>General and designated funds</b>						
General funds	3,238,820	3,056,040	(4,938,218)	-	270,219	1,626,861
Designated Building maintenance fund	3,000,000	-	-	-	(454,000)	2,546,000
Designated Marston road development fund	-	-	-	-	2,400,000	2,400,000
	6,238,820	3,056,040	(4,938,218)	-	2,216,219	6,572,861
<b>Restricted funds</b>						
Building fund	110,398,851	28	-	-	-	110,398,879
	110,398,851	28	-	-	-	110,398,879
<b>Total funds</b>	205,769,085	5,303,754	(5,121,246)	7,104,829	-	213,056,422

Total funds of the charity at the balance sheet date are £209,090,157 (2021 £201,810,508). The difference in the consolidated funds is due to the effect of the subsidiary undertakings results and is reflected in the General Funds. The general funds were in surplus at the year-end by £6,547,624.

**Comparative Movement in Trust funds for the year ended 31st March 2021.**

	<b>Balance at 1st April 2020 £</b>	<b>Incoming Resources</b>	<b>Expenditure</b>	<b>Gains &amp; Losses</b>	<b>Transfers</b>	<b>Balance at 31st March 2021 £</b>
<b>Endowment funds</b>						
Fellowship and Scholarship funds	74,807,150	2,965,712	(154,015)	13,243,580	(1,731,013)	89,131,414
	74,807,150	2,965,712	(154,015)	13,243,580	(1,731,013)	89,131,414
<b>General and designated funds</b>						
General funds	2,291,605	6,631,446	(4,415,244)	-	(1,268,987)	2,291,605
Designated Building fund	-	-	-	-	3,000,000	3,000,000
	2,291,605	6,631,446	(4,415,244)	-	1,731,013	6,238,820
<b>Restricted funds</b>						
Building fund	110,148,789	250,062	-	-	-	110,398,851
	110,148,789	250,062	-	-	-	110,398,851
<b>Total funds</b>	187,247,544	9,847,220	(4,569,259)	13,243,580	-	205,769,085

Total funds of the charity at the balance sheet date are £201,810,508 (2020 £183,285,350). The difference in the consolidated funds is due to the effect of the subsidiary undertakings results and is reflected in the General Funds. The general funds were in surplus at the year-end by £3,503,681.

**Notes to the Accounts  
for the year ended 31st March 2022**

**15 Pension Commitments**

**Universities Superannuation Scheme (“USS”)**

The pension charge for the year includes a charge of £577,747 (2021: charge of £133,810) in relation to the USS. This represents contributions of £125,658 payable to the USS, as increased by the change in the deficit funding liability between the opening and closing balance sheet dates of £452,089 (2021: increased by £9,331).

The 2020 actuarial valuation of the scheme was finalised during the accounting period and reported that total assets of the scheme were £66.5bn, with total liabilities of £80.6bn – meaning a past service shortfall of £14.1bn and a funding level of 83%.

This position has significantly worsened compared to the 2018 valuation, which had a funding level of 95%, and as a result a new deficit recovery plan was agreed. This new plan requires deficit payments of 6.2% of salaries from 1 April 2022 to 31 March 2024 and then payments of 6.3% of salaries from 1 April 2024 to 30 April 2038. This was a significant increase on the 6% contribution due until March 2028 under the 2018 valuation, and explains the significant increase in the liability noted above during the current accounting year.

Employee contribution rates are set at 9.8%. Employer contribution rates are set at 21.6% from 1 April 2022 to 31 March 2024, and 21.4% from 1 April 2024 to 30 April 2038.

In line with FRS 102 paragraph 28.11A, the Centre has recognised a provision of £705,000 at 31 March 2022 (2021: £252,911) for the present value of the estimated future deficit funding element of the contributions payable under the agreement in place at year end. In determining the level of this provision it has been assumed that the Charity will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary’s projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the USS website [www.uss.co.uk](http://www.uss.co.uk).

**Oxford Staff Pension Scheme (“OSPS”) .**

The pension charge for the year includes a charge of £50,533 (2021 £18,933) in relation to the OSPS. This represents contributions of £26,967 payable to the OSPS as increased by the change in the deficit funding liability between the opening and closing balance sheet dates of £23,566 (2021: decrease of £1,214).

The 2019 actuarial valuation of the scheme was finalised during the prior accounting period and reported that total assets of the scheme were £735mn, with total liabilities of £848mn – meaning a past service shortfall of £113mn and a funding level of 87%. The actuary has certified that the recovery plan should eliminate the deficit by 30 June 2027. The next triennial valuation is due with an effective date of 31 March 2022.

In line with FRS 102 paragraph 28.11A, the Centre has recognised a provision of £33,000 at 31 March 2022 (2021: £9,434) for the present value of the estimated future deficit funding element of the contributions payable under this agreement. In determining the level of this provision it has been assumed that the Centre will continue to have a constant level of employee participation in this scheme and that the relevant earnings of these employees will increase in line with the actuary’s projected long-term salary rate increases.

A copy of the full actuarial valuation report and other further details on the scheme are available on the University of Oxford website <http://www.admin.ox.ac.uk/finance/epp/pensions/schemes/osps/>

OXFORD CENTRE FOR ISLAMIC STUDIES

**Notes to the Accounts  
for the year ended 31st March 2022**

**16 Financial commitments**

At 31st March 2022, the charity had total commitments under non cancellable operating leases as detailed below:

	<b>Land and buildings</b>	
	<b>2022</b>	<b>2021</b>
Operating leases which expire after more than 5 years	-	-
Operating leases which expire between 2 to 5 years	<u>£40,109</u>	<u>£68,909</u>
Capital Commitments at 31st March, 2022 were:		
Approved and Contracted	<u>-</u>	<u>£8,795</u>

**17 Subsidiary undertakings**

The unlisted investments are two wholly owned subsidiaries, Oxcis Limited and Oxford Endeavours Limited. Oxford Endeavours Limited wholly owns two subsidiaries Oxford Real Estate Limited and Oxford Islamic Finance Limited. All of these companies are registered in England.

At the start of the year a loan of £3.85m was outstanding from Oxford Real Estate Limited, a Gift Aid donation of £527,532 from distributable profits is to be made to the Trust. The outstanding loan at 31st March 2022 was £3,447,412. This amount is unsecured, repayable on demand and carries interest at 2%.

The results, net assets and principal activity of the companies are as follows:

<b>Company and principal activities</b>	<b>Income</b>	<b>Expenditure</b>	<b>Profit / (Loss) for the year</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Funds</b>
Oxcis Limited Design & build services	10,028	(10,426)	(398)	104,906,300	(105,391,607)	(485,307)
Oxford Endeavours Limited Holding company	2,001	(1,501)	500	1,407,210	(1,881)	1,405,329
Oxford Real Estate Limited Property investment & management	623,667	(88,544)	535,123	9,804,215	(3,638,748)	6,165,467

Oxford Islamic Finance Limited

The company had no financial activity during the year and was dormant.

**18 The Charity's own financial information**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Gross Income	5,284,773	9,836,237
Net incoming resources	174,819	5,281,577
Gains / ( Losses ) on investments	7,104,829	13,243,580

OXFORD CENTRE FOR ISLAMIC STUDIES

**Notes to the Accounts  
for the year ended 31st March 2022**

**19 Comparative Consolidated Statement of Financial Activities for the year ended 31st March 2021.**

	Note	General and designated funds £	Restricted funds £	Endowment funds £	Total Funds 2021 £
<b>Income From:</b>					
Donations and gifts		6,499,500	250,000	1,234,699	7,984,199
<b>Charitable Activities</b>	<b>5</b>	129,291	-	-	129,291
<b>Investment income</b>	<b>6</b>	2,655	62	1,731,013	1,733,730
<b>Total income</b>		<b>6,631,446</b>	<b>250,062</b>	<b>2,965,712</b>	<b>9,847,220</b>
<b>Expenditure as:</b>					
<b>Cost of raising funds</b>					
Costs of raising voluntary income		517	-	-	517
Investment management fees		-	-	154,015	154,015
Development		17,262	-	-	17,262
Trust administration		5,287	-	-	5,287
		<b>23,066</b>	<b>-</b>	<b>154,015</b>	<b>177,081</b>
<b>Charitable Activities</b>					
Centre		2,871,884	-	-	2,871,884
Fellowships and Scholarships		1,424,930	-	-	1,424,930
Publications		93,472	-	-	93,472
Conferences & Events		1,892	-	-	1,892
		<b>4,392,178</b>	<b>-</b>	<b>-</b>	<b>4,392,178</b>
<b>Total expenditure</b>	<b>7</b>	<b>4,415,244</b>	<b>-</b>	<b>154,015</b>	<b>4,569,259</b>
<b>Net income / (expenses) for the year before transfers</b>		<b>2,216,202</b>	<b>250,062</b>	<b>2,811,697</b>	<b>5,277,961</b>
Transfer between funds		1,731,013	-	(1,731,013)	-
<b>Gains / ( Losses ) on investment assets:</b>		<b>-</b>	<b>-</b>	<b>13,243,580</b>	<b>13,243,580</b>
<b>Net movement in funds in year</b>		<b>3,947,215</b>	<b>250,062</b>	<b>14,324,264</b>	<b>18,521,541</b>
Total funds brought forward		2,291,605	110,148,789	74,807,150	187,247,544
<b>Total funds carried forward</b>	<b>14</b>	<b>6,238,820</b>	<b>110,398,851</b>	<b>89,131,414</b>	<b>205,769,085</b>

**Notes to the Accounts  
for the year ended 31st March 2022**

**20 Comparative Consolidated Balance Sheet for the year ended 31st March 2021.**

	Note	General and designated funds £	Restricted funds £	Endowment funds £	2021 £	2020 £
<b>Fixed assets</b>						
Tangible assets	8	292,654	111,178,075	5,617,513	117,088,242	116,916,307
Investments	9	3,180,185	-	82,628,099	85,808,284	65,966,992
		<u>3,472,839</u>	<u>111,178,075</u>	<u>88,245,612</u>	<u>202,896,526</u>	<u>182,883,299</u>
<b>Current assets</b>						
Debtors	10	129,096	5,891	137,040	272,027	242,538
Cash at bank		3,130,697	(756,046)	990,160	3,364,811	4,839,730
		<u>3,259,793</u>	<u>(750,155)</u>	<u>1,127,200</u>	<u>3,636,838</u>	<u>5,082,268</u>
<b>Creditors</b>						
Amounts falling due within one year	11	(231,467)	(29,069)	(241,398)	(501,934)	(463,795)
<b>Net current assets / (liabilities)</b>		<u>3,028,326</u>	<u>(779,224)</u>	<u>885,802</u>	<u>3,134,904</u>	<u>4,618,473</u>
<b>Provision for liabilities and charges</b>						
Pension scheme liability	12	(262,345)	-	-	(262,345)	(254,228)
<b>Net assets</b>		<u>6,238,820</u>	<u>110,398,851</u>	<u>89,131,414</u>	<u>205,769,085</u>	<u>187,247,544</u>
<b>Funds</b>	14	<u>6,238,820</u>	<u>110,398,851</u>	<u>89,131,414</u>	<u>205,769,085</u>	<u>187,247,544</u>

**21 Related party transactions**

There were no related party transactions except those with Charity's subsidiaries which are covered in note 17.

**22 Approval of accounts**

These accounts were approved at a meeting of the Trustees on the 7th of September 2022.



## Oxford Centre for Islamic Studies

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