

DARUL ULOOM SCHOOL (LONDON)

Trustees Report and Accounts

for the year ended 31 July 2023

Registered Charity No: 1043305

Pearlman Rose

Chartered Accountants

Suite 1, First Floor

Jack Dash House

2 Lawn House Close

Docklands

London E14 9YQ

Information

| | |
|------------------------|---|
| Trustees | I V A Maljee U H Patel M Khan Y K Zaman B S Baiyat M D Patel |
| Charity No | 1043305 |
| Charity offices | Foxbury Avenue Off Perry Street Chislehurst BR7 6SD |
| Accountants | Pearlman Rose Chartered Accountants Suite1, First Floor Jack Dash House 2 Lawn House Close Docklands London E14 9YQ |
| Bankers | NatWest Bank plc 87 High Street Sidcup DA14 6DL |

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Trustees' Report for the year ended 31 July 2023

(Registered Charity Number: 1043305, Registered Office: Foxbury Avenue, Off Perry Street, Chislehurst, Kent, BR7 6SD)

The trustees present their report and accounts for the year ended 31st July 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the charity's trust deed, the Charities Act 2011, provisions of accounting and reporting by charities; Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Trustees

The trustees who acted during the year were as follows:

I V A Maljee
U H Patel
M Khan
Y K Zaman
B S Baiyat
M D Patel

The Trust Deed of the charity governs the appointment of trustees. The board of trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Investment Powers

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity. The trustees are responsible for the selection and disposition of investment and for obtaining advice. Currently, the general funds of the charity are held and transferred to and from a bank deposit account.

Constitution, objects and policies

The Darul Uloom School (London) is constituted by a Trust Deed and its objects are to provide and maintain a school to teach and otherwise educate young persons in the doctrines and practices of the Islamic religion and its jurisprudence. The School raises funds by inviting parents and prospective donors to contribute towards the fees, make voluntary donations, set up deeds of covenant and make zakat contributions.

Development, Review of Activities and Plans for future periods

The trustees are happy to report that the performance of the charity during the period under review has been satisfactory.

The charity raises funds mainly from fees and donations. During the year it had on average of 150 students (2022: 145) which conforms with the maximum number it is permitted to have on roll. The total income received this year was £575,723 (2022: £609,380) however with the total recorded expenditure of £665,458 there was a deficiency of income £89,735 (2022: £45,069). With the net assets standing at £1,640,680 the trustees are confident that the school can continue to offer its services comfortably for the foreseeable future and has made plans to reduce the deficiency of income.

Trustees' Report for the year ended 31 July 2023....continued

As reported in the previous year, a full inspection of the boarding and education facilities was carried out in March 2022, with a “good” rating. The school’s boarding facilities was inspected again in January 2023, maintaining a “good” rating. In July 2023 an additional inspection was carried out, where the school was reported to be meeting all of the independent school standards that were checked. The consecutive positive reporting of the school indicates a consistency in good leadership and management. The trustees and school leadership remain committed to continue to work towards further improving the school to meet and exceed standards.

There is an ongoing dispute regarding the ownership of the land which has been reported as a tangible asset. This legal dispute is ongoing and once a final outcome is reached, and any ambiguity clarified, the future trustees report will provide an update on the matter.

The trustees are happy to report that several students graduated at the Alimiyya and Hifz programmes. Furthermore, the results achieved at the GCSE were above average.

The trustees are grateful for the continued support given by the management and staff and the work of both the trustees which has enabled the charity to further its objectives. Furthermore, the trustees extend their appreciation to those who have contributed towards the costs of running the charity and to the members of the local community who continue to support it by providing invaluable professional services on a voluntary basis. All these efforts continue to make the charity a success. The trustees are delighted to report that sufficient funds are available to enable the Charity to continue its operations in the medium term.

Reserve Policy

The trustees will continue to maintain sufficient levels of reserves to cover the charity’s obligations by ensuring that there are operating surpluses in the future and by general purpose appeals from time to time.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees’ annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 “ The Financial Reporting Standard applicable in the UK and Republic of Ireland.”

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year 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 applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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.

Trustees' Report for the year ended 31 July 2023....continued

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity that enables them to ensure that the financial statements comply with 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approval

This report was approved by the trustees on 28 May 2024 and signed on their behalf by



MD Patel

Trustee

Independent Examiner's Report to the trustees of Darul Uloom School (London)

I report to the charity trustees on my examination of the financial statements of Darul Uloom School (London) ('the charity') for the year ended 31 July 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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

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



Mohammad Jilani FCA
Independent Examiner

Date: 28 May 2024

Pearlman Rose
Chartered Accountants
Suite 1, First Floor
Jack Dash House
2 Lawn House Close
Docklands
London E14 9YQ

**Statement of Financial Activities
for the year ended 31 July 2023**

| | Notes | Unrestricted Funds | |
|--|----------|--------------------|------------------|
| | | 2023 | 2022 |
| | | £ | £ |
| Income and endowments | | | |
| Donations and legacies | | 30,574 | 30,715 |
| Charitable activities | | 541,944 | 578,494 |
| Investments | | 3,205 | 171 |
| Total income | 2 | 575,723 | 609,380 |
| Expenditure | | | |
| Charitable activities | | 665,458 | 654,449 |
| Total expenditure | 3 | 665,458 | 654,449 |
| Net incoming/(expenditure) for the year | | (89,735) | (45,069) |
| Total funds brought forward | | 1,730,415 | 1,775,484 |
| Total funds carried forward | | 1,640,680 | 1,730,415 |

There were no recognised gains or losses for the two years other than those included in the statement of financial activities.

**Statement of Financial Position
as at 31 July 2023**

| | | 2023 | | 2022 | |
|--|---|---------|-----------|---------|-----------|
| Notes | £ | £ | £ | £ | £ |
| Fixed Assets | | | | | |
| Tangible assets | 5 | | 1,242,572 | | 1,283,964 |
| Current Assets | | | | | |
| Stock of books & stationery | 6 | 1,820 | | 1,845 | |
| Debtors | 7 | 2,708 | | 4,433 | |
| Cash at bank and in hand | | 400,948 | | 446,656 | |
| | | 405,476 | | 452,934 | |
| Current Liabilities | | | | | |
| Other creditors & accruals | 8 | 7,368 | | 6,483 | |
| | | 7,368 | | 6,483 | |
| Net Current Assets | | | 398,108 | | 446,451 |
| Total Assets less Current Liabilities | | | 1,640,680 | | 1,730,415 |
| Capital Account | | | | | |
| Unrestricted funds | | | 1,640,680 | | 1,730,415 |

The financial statements were approved by the Board of Trustees and authorised for issue on 28 May 2024 and were signed on their behalf by



MD Patel
Trustee

Statement of Cash Flows
for the year ended 31 July 2023

| | 2023 | 2022 |
|---|-------------|-------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net income/(expenditure) | (89,735) | (45,069) |
| Adjustments for: | | |
| Depreciation charges | 41,392 | 42,796 |
| (Increase)/decrease in stocks | 25 | 145 |
| (Increase)/decrease in debtors | 1,725 | (1,861) |
| Increase/(decrease) in creditors | 885 | (983) |
| Net cash from/(used in) operating activities | (45,708) | (4,972) |
| Cash flow from investing activities: | | |
| Purchase of tangible fixed assets | - | - |
| Net cash used in investing activities | - | - |
| Change in cash and cash equivalents in the reporting period | (45,708) | (4,972) |
| Cash and cash equivalents at the beginning of the reporting period | 446,656 | 451,628 |
| Cash and cash equivalents at the end of the reporting period | 400,948 | 446,656 |

The notes on pages 8 to 13 form part of these accounts

**Notes to the accounts
for the year ended 31 July 2023**

1. Accounting Policies

Accounting convention & basis of preparation

These accounts have been prepared under the historical cost convention (except that investments are shown at market value) in accordance with: Accounting and Reporting by Charities: – Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and in accordance with the Charities Act 2011.

Incoming Resources: Recognition of incoming resources

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Incoming Resources: Incoming resources with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Incoming Resources: Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Incoming Resources: Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

Incoming Resources: Contractual income and performance related grants

This is only included in the SoFA once the related goods or services have been delivered.

Incoming Resources: Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

Incoming Resources: Donated services and facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Incoming Resources: Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Notes to the accounts
for the year ended 31 July 2023**

Incoming Resources: Investment income

This is included in the accounts when receivable.

Expenditure and Liabilities: Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Expenditure and Liabilities: Governance costs

Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

Expenditure and Liabilities: Grants with performance conditions

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Expenditure and Liabilities: Grants payable without performance conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the charity without further specified purpose and are available as general funds. Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds

Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through legal process, but still within the wider objects of the charity. Restricted funds may be restricted income funds, which are spent at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity, or they may be endowment funds, where the assets are required to be invested, or retained for actual use, rather than spent.

Assets: Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt.

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

| | |
|---------------------------|-----------------------------|
| Freehold land & buildings | 2% Straight line method |
| Equipment | 25% Reducing balance method |

Assets: Stocks and work in progress

These are valued at the lower of cost or market value.

**Notes to the accounts
for the year ended 31 July 2023**

Pensions

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Taxation

The charity is exempt from tax on its charitable activities.

2. Analysis of income

| | 2023 | 2022 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| 2.1 Donations and legacies | | |
| Voluntary donations | 30,574 | 30,715 |
| Government grants - CJRS | - | - |
| Total | 30,574 | 30,715 |

| | 2023 | 2022 |
|--|-------------|-------------|
| | £ | £ |
| 2.2 Income from charitable activities | | |
| Contributions by parents towards costs | 541,944 | 578,494 |
| Total | 541,944 | 578,494 |

| | 2023 | 2022 |
|------------------------------------|-------------|-------------|
| | £ | £ |
| 2.3 Income from Investments | | |
| Bank interest | 3,205 | 171 |
| Total | 3,205 | 171 |

3. Analysis of expenditure

| | | 2023 | 2022 |
|------------------------------------|------------|-------------|-------------|
| | | £ | £ |
| Charitable activities costs | | | |
| Support costs | 3.1 | 636,420 | 619,612 |
| Governance costs | 3.2 | 29,038 | 34,837 |
| Total | | 665,458 | 654,449 |

**Notes to the accounts
for the year ended 31 July 2023**

3.1 Analysis of support costs

| | 2023 | 2022 |
|---|----------------|----------------|
| | £ | £ |
| Stock adjustment | 25 | 145 |
| Wages and salaries | 367,634 | 378,734 |
| Examination and educational expenses | 22,288 | 22,475 |
| Food and catering | 76,242 | 53,749 |
| Rates | 18,771 | 15,951 |
| Insurance | 3,830 | 3,668 |
| Light and heat | 19,367 | 33,161 |
| Cleaning and laundry | 23,128 | 10,571 |
| Repairs and maintenance | 51,113 | 40,982 |
| Printing, postage and stationery | 1,348 | 1,363 |
| Books and magazines | 348 | 1,821 |
| Telephone and fax | 2,610 | 3,213 |
| Travelling | 69 | 895 |
| Staff training | 1,959 | 2,157 |
| Depreciation – Freehold, fixtures & equipment | 41,393 | 42,796 |
| Computer and software maintenance | 645 | 998 |
| Subscriptions | 3,608 | 6,054 |
| Bank charges | 2,028 | 843 |
| Sundry expenses | 14 | 36 |
| Total | 636,420 | 619,612 |

3.2 Analysis of governance costs

| | 2023 | 2022 |
|----------------------|---------------|---------------|
| | £ | £ |
| Legal & professional | 24,088 | 29,887 |
| Accountancy fees | 4,950 | 4,950 |
| Total | 29,038 | 34,837 |

**Notes to the accounts
for the year ended 31 July 2023**

| 4 Employee emoluments | 2023 | 2022 |
|---------------------------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 364,535 | 373,784 |
| Social security costs (Employers NIC) | 1,573 | 3,613 |
| Staff pension costs | 1,526 | 1,337 |
| | <u>367,634</u> | <u>378,734</u> |
| | <u> </u> | <u> </u> |
| Average no. of staff | <u>33</u> | <u>37</u> |

Trustees remuneration, benefits and expenses

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Included in the wages costs is £9,372 (2022: 8,847) which relates to wages paid to Mr M D Patel a trustee, who provides teaching and educational related services.

There were no trustees' expenses paid for the year ended 31 July 2023 (2022: Nil)

5. Tangible assets for use by charity

| | Land and Buildings freehold | Equipment | Total |
|------------------------|--|-------------------|-------------------|
| | (Assets used directly for charitable purposes) | | |
| | £ | £ | £ |
| Cost | | | |
| At 1 August 2022 | 1,859,283 | 286,379 | 2,145,662 |
| Additions | - | - | - |
| At 31 July 2023 | <u>1,859,283</u> | <u>286,379</u> | <u>2,145,662</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Depreciation | | | |
| At 1 August 2022 | 592,147 | 269,550 | 861,697 |
| Charge for the year | 37,186 | 4,207 | 41,393 |
| At 31 July 2023 | <u>629,333</u> | <u>273,757</u> | <u>903,090</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| Net book Values | | | |
| At 31 July 2023 | <u>1,229,950</u> | <u>12,622</u> | <u>1,242,572</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 July 2022 | <u>1,267,135</u> | <u>16,829</u> | <u>1,283,964</u> |
| | <u> </u> | <u> </u> | <u> </u> |

**Notes to the accounts
for the year ended 31 July 2023**

| | | | |
|------------|--|-------------------|-------------------|
| 6. | Stocks | 2023 | 2022 |
| | | £ | £ |
| | Stock of books and stationery | 1,820 | 1,845 |
| | | <u> </u> | <u> </u> |
| 7. | Current Assets | 2023 | 2022 |
| | | £ | £ |
| | Sundry debtors and prepayments | 2,708 | 4,433 |
| | | <u> </u> | <u> </u> |
| | | 2,708 | 4,433 |
| | | <u> </u> | <u> </u> |
| 8. | Current Liabilities | 2023 | 2022 |
| | | £ | £ |
| | Sundry creditors and accruals | 7,368 | 6,483 |
| | | <u> </u> | <u> </u> |
| | | 7,368 | 6,483 |
| | | <u> </u> | <u> </u> |
| 9. | Net Movement in funds for the year | 2023 | 2022 |
| | | £ | £ |
| | The net movement in funds for the year is stated after charging: | | |
| | Depreciation of tangible fixed assets used by charity | 41,393 | 42,796 |
| | Accountancy fees | 4,950 | 4,950 |
| | | <u> </u> | <u> </u> |
| | | <u> </u> | <u> </u> |
| 10. | Unrestricted funds: Movement in the year | 2023 | 2022 |
| | | £ | £ |
| | Balance brought forward | 1,730,415 | 1,775,484 |
| | Income | 575,723 | 609,380 |
| | Expenditure | (665,458) | (654,449) |
| | | <u> </u> | <u> </u> |
| | Total funds carried forward | 1,640,680 | 1,730,415 |
| | | <u> </u> | <u> </u> |