

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020**



Riley Moss Audit LLP (Statutory Auditor)
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

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FOR THE YEAR ENDED 31 AUGUST 2020**

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**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020**

| | |
|----------------------------------|--|
| Trustees | Dr A Al Majid Dr H Al Majid Dr A M Al Saif Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mr K Z Hafeez Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer |
| Registered office | Hartley Hall Alexandra Road South Manchester M16 8NH |
| Registered company number | 03544402 |
| Registered charity number | 1073862 |
| Auditors | Riley Moss Audit LLP (Statutory Auditor) Riley House 183-185 North Road Preston Lancashire PR1 1YQ |

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the 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).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives and activities

Structure, governance and management

The trustees, who are the directors for the purpose of the Companies Act 1985 submit their report and the audited financial statements for the year ended 31 August 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and reporting by Charities 2005. The trustees who served during the year and up to the date of this report are set out on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee, under company number 3544402 and has been granted charitable status under Charities Act 1960, in February 1999 under registration number 1073862. MIET runs KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School of Girls) and Manchester Muslim Preparatory School. These schools operate from three different sites. Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The trustees are also Directors of the Charity for the purposes of the Companies Act 1985. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted in accordance with the Trust Deed. The Board may appoint a trustee during the year to fill a casual vacancy to serve a minimum probationary period of six months, or longer as the case may be. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by a unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee provided no financial gain may accrue to this Trustee, also employed by the Trust, that also accrues to other employees of the Trust. The Trustees are also encouraged to attend relevant external briefings and training courses. They meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. In addition, the trustees are also responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed and no trustee resigned during this year.

Staff & management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, students and staff are continuously encouraged to contribute to the local community and wider community by the establishment and development of links at various levels. The day to day management of each school is delegated to the respective Head teachers supported by their Senior Management/Leadership Teams (please see organisation chart at the end of the report). In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance and buildings which meet more regularly and are attended by the Head teachers. This team in turn delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is managed by the Board of Trustees. This Board, annually, appoints a Chairperson, Vice Chair Person, and Treasurer. The Board also appoints various coordinators, links and personnel responsible for policies which are of great importance to the schools, i.e. Safeguarding of children; Health & Safety, Finance, ethos and vision of the schools and the Trust, etc. Trustees, in addition to performing visits to the schools and having meeting with the leadership of the schools, has also been employing Trust Administrative Manager to provide a more in-depth oversight over school's operation and performance, reporting to the Chairperson and the Vice Chair as well as the treasurer. Each school has a dedicated professional leadership team, most of them have either been already trained in a Senior Leadership role or are being encouraged to undertake this training from the appropriate and accredited training colleges/institutions. The cost of this training is borne by the Trust. The school leadership is also encouraged to develop middle leadership skills from amongst its progressive and able staff within each school.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

The objective of the Trust is the advancement in the United Kingdom of education in general, in conjunction with, and complimented by Islamic education. Secondly, it is the objective of the Trust to provide and maintain schools within the United Kingdom for providing facilities to enable young persons in the doctrines and practices of the Islamic faith and in the Arabic language. In this respect the Trust follows the latest regulations in that it promotes actively the Prevent Strategy of the government and the promotion of democracy and British values. The Trust may in the future try and establish additional Islamic schools to meet demand, but this is subject to availability of adequate funds.

Investment policy

The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of the above Charity in any way the trustees wish. However, no such investments are presently held or have been made. Part of one of Trust's properties, Hartley Hall, is rented to Hartley Hall of Residence Ltd, has not been valued separately as an additional investment. Its valuation has been provided and included in the asset value given for Trust properties in the accounts being submitted with this report. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose as the property in its entirety has been valued. This would only incur unnecessary expense. For the purpose of obtaining a fair rent, an outside rental valuation agency was employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence. Recently an increase in rent was effected keeping in view market trend in this area.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried for the purpose of insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives and activities

Intended impact and strategies

Within these Objects, MIET aims to provide services which will be beneficial to the community it has been set up to serve. The aim of the Charity is to benefit the public in the widest possible manner with a view to educate children in a faith based ethos and environment. MIET is firmly of the belief that such an ethos and environment best serves the public interest and is beneficial for the children who are recipients of the service provided. Education steeped in a faith ethos will prove a firm foundation on which higher education can build a much better citizen who can benefit the nation much more. It is for these reasons that MIET first established faith based schools: Islamic High School for Girls was established in 1992, followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The Schools implement the Aims and Objectives of the Trust and further the interest of public benefit by endeavouring to provide an outstanding independent education, through strong academic tuition, awareness of spiritual values and developing artistic, spiritual moral, cultural and social skills in all students. This is intended to provide an environment where each pupil can begin to realise his or her own potential, thus helping to build self-confidence and self-esteem in preparation for a contented and fulfilling life contributing to the welfare of the wider community. This is achieved by offering education appropriate to the needs of boys and girls aged from 3 to 16. Progression is given as much emphasis as attainment - they are interlinked. The schools have consistently shown to achieve a much higher value added component to its educational mix and regime than the national average. Quality of pupils wishing to enrol in our schools is varied, and as diagnostic tools are becoming more sophisticated, it is becoming increasingly evident that some children require specialist SEND support for special students. The schools are equipping themselves to be able to provide this in as many cases as possible. It has been agreed by the Trust to constantly upskill its SEND coordinators so that they are able to provide a continually improved provision and service in this area. These persons then can, in turn, provide the requisite skills to other teaching staff on application of diagnosing and proper application of teaching methodology in this area for these pupils.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and is educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women, with highly developed interpersonal skills with a broad range of interests. Hence pupils can compete at any level with the brightest and the best. The Trust has over the years continued to extend additional financial help and assistance, in various forms, to the less fortunate who have found it difficult to pay the full fees, as well as discounts to siblings. This has amounted to almost the same amount as was given last year, i.e. approximately £150,000. By offering discount on fees, and occasionally helped by donations received from other sources, MIET has been able to help those who require financial assistance. It has also instituted a Scholarship Scheme whereby it has allowed each of the schools to allow for up to 5 scholarships based entirely and solely on academic achievement of prospective applicants. The trustees continue to explore the area of higher education where some of the students after completing their GCSEs can also avail the opportunity of doing their A level at our schools. It is hoped that with the improvement of economic climate and outlook in the country additional funds will become available to implement this plan. Capital cost and operational viability permitting, the Trustees continue to hope that this plan will go ahead in the near future.

It is also worth mentioning here that no discount on fees, or any other incentive, financial or otherwise, is offered or given to any trustee who has a child or children enrolled in any of our schools.

The Trust is also aware, as mentioned previously, that with the opening of new free Schools in Manchester may possibly lower number of pupils. These Free Schools did have a detrimental effect on intake of our schools however the marketing strategy employed, as recommended by the marketing company employed by the Trust, has somewhat offset this negative effect.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives and activities

The onset of Covid 19 pandemic in February/March of 2020 threw up new and extremely difficult challenges in that the Trust schools not only had to equip and train staff in conducting remote teaching and learning but also to ensure that the recipients, i.e. the pupils, were equipped with the hardware and the knowledge to receive the teaching being imparted remotely by their teachers. The schools, with some additional help of some donors were able to provide the hardware to equip some families who were unable to provide this facility with their own resources. The Trust also arranged training for the teaching staff to enable them to use the remote teaching regime and platform adopted in the best possible way. In addition, the Trust schools, according to the guidelines provided the government, also catered to the needs of the parents and their children who were key workers, by keeping the doors of our schools open and providing these pupils with the appropriate teaching and learning support. The Trust can report that this entire effort during this very trying and challenging period, which it seems is likely to continue, was performed most admirably by our teaching and non-teaching staff.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report

Achievement and performance

The trustees are pleased that the academic attainment and achievement of the schools has shown improvement throughout the year despite the pandemic. The public examination results for GCSEs continued to reflect the high level of progress, improvement and achievement expected from the students at both schools. Teaching and learning continues to improve. Staff is continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand, ofcourse within remote communication guidelines. Trips have been cancelled because of the pandemic for the foreseeable future. It is hoped that with easing of restrictions, and most importantly, with return of confidence, these will be resumed. The organisation of interfaith exchange programmes, fund raising for various Appeals and Charities, such as Penny Appeal, Islamic relief, Christies Hospital, etc. are regularly conducted with a view to impart the importance of such activities in raising awareness of the children and character building. A lot of activities and pursuits have had to be curtailed due to the ongoing pandemic restrictions and care adopted.

The Trustees are also satisfied that the schools are achieving their stated objectives throughout the year in question.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. In the Schools computers are regularly upgraded or replaced as and when necessary for the betterment of education. The schools have inter-active boards as an additional resource to be used by staff to inform the students better and facilitate their educational experience in a more robust manner. All this is in line with the Trusts' strategy to improve their educational facilities and to provide an atmosphere where students can feel safe and learn in an environment conducive to learning.

The Trust has this year, as in last few years, been unable to raise funds for capital projects either locally or from abroad. This has remained difficult. However, attempts are continually being made to raise funds to implement smaller improvement and refurbishment work. Efforts are also made to raise funds to provide financial help to deserving children and their parents.

In line with the policy and vision of the Trust, MIET aims to provide British values to their students which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools and pupils from our schools visit schools of other faiths or none.

The Schools each have a separate dedicated Headteacher and each of the Schools is fortunate to have staff that is hard working and is fully committed and, in turn, is led by a capable Headteacher and Senior Management/ Leadership Teams. New structure in the form of a promotion of senior leadership member to the position of Acting Headteacher, under the guidance of the very experience Headteacher of our Manchester Islamic High School for Girls was instituted in September 2017. The position of the Executive Headteacher, as an interim position, was also extended to include KD Grammar School for Boys with a view to assist the Headteacher of that school. The Trustees were also of the view that by bringing all the three schools under the umbrella and purview of the Executive Headteacher. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the Headteacher.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report

Financial review

Financial position

The schools' principal funding source is from school fees, which amounted to £2,593,871 (2019: £2,722,218). The schools continue to hire out facilities during vacations and after-school hours, and have contributed £75,150 (2019: 96,800) to income. This facility aims to provide maximum benefits to the community and the general public by facilitating ease of availability of resources. The amount is less than the previous year because of the pandemic. Fees and salary increase could not be implemented because of the prevalent economic conditions in the country. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the students however fundraising is continually and continuously being pursued by the Schools and the Trust to augment the funds needed by the schools.

Reserves policy

The Trust has a Reserves Policy.

This policy details that the charity presently maintains unrestricted funds or/and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of at least two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:

- Volunteer Policy.
- Conflict of Interest Policy.
- Investment Policy.

Remuneration Policy

The Charity follows a policy on remuneration very much dependant on demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless takes into account the overall budgetary and financial position of the Charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists, however the Charity offsets this by employing younger less experienced personnel but at the same time instituting a very rigorous and robust training and professional development programme. Another attraction offered, especially to the higher management level staff, is to provide a very congenial and friendly workplace environment where they are made to feel important and valued.

Going concern

The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity.

Hence the trustees conclude that the accounts comply with the requirements of the Trust's governing body and it remains a going concern.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report

Strategic Report, financial review, plans for future periods

The key plans related to the charitable aspects of the Schools remain as follows:

¢ Improvement in teaching & learning

¢ Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work.

¢ Improvement in systems was achieved.

¢ A more forensic review of budgets and financial spending was carried out throughout the year. A more thorough scrutiny was instituted.

¢ The need for effective use of space and resources within the Schools;

¢ Improvement of the marketing plans for recruiting extra students in all schools;

¢ To maintain and improve the current high standards of academic achievement as measured by external examinations and independent value added criteria;

¢ To continue focusing on continued professional development for teachers and the management.

¢ To find ways & means to provide funding so as to offer financial assistance to more applicants than being presently done.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law 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 surplus or deficit 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;
- make judgements and estimates that are reasonable and prudent; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Riley Moss Audit LLP (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on20/05/21..... and signed on the board's behalf by:


.....
Mr F Zaheer - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

Opinion

We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law 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 surplus or deficit 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;
- make judgements and estimates that are reasonable and prudent; and
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

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. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Riley Moss Audit LLP (Statutory Auditor)
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

Date:25/5/2021.....

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Notes | Unrestricted funds £ | Restricted fund £ | 2020 Total funds £ | 2019 Total funds £ |
|------------------------------------|-------|----------------------------|-------------------------|-----------------------------|-----------------------------|
| Income and endowments from | | | | | |
| Donations and legacies | 3 | 263,928 | - | 263,928 | 121,186 |
| Charitable activities | 4 | | | | |
| Charitable activities | | 2,852,738 | - | 2,852,738 | 3,000,521 |
| Total | | <u>3,116,666</u> | <u>-</u> | <u>3,116,666</u> | <u>3,121,707</u> |
| Expenditure on | | | | | |
| Charitable activities | 5 | | | | |
| Charitable activities | | 3,158,895 | - | 3,158,895 | 3,365,727 |
| NET INCOME/(EXPENDITURE) | | <u>(42,229)</u> | <u>-</u> | <u>(42,229)</u> | <u>(244,020)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>3,324,529</u> | <u>-</u> | <u>3,324,529</u> | <u>3,568,549</u> |
| Total funds carried forward | | <u><u>3,282,300</u></u> | <u><u>-</u></u> | <u><u>3,282,300</u></u> | <u><u>3,324,529</u></u> |

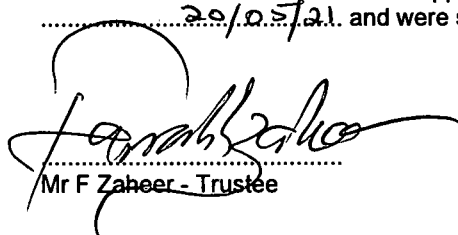
The notes form part of these financial statements

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)**

**STATEMENT OF FINANCIAL POSITION
31 AUGUST 2020**

| | Notes | Unrestricted funds £ | Restricted fund £ | 2020 Total funds £ | 2019 Total funds £ |
|--|-------|----------------------------|-------------------------|-----------------------------|-----------------------------|
| Fixed assets | | | | | |
| Tangible assets | 11 | 3,246,999 | - | 3,246,999 | 3,346,714 |
| Investments | 12 | 100 | - | 100 | 100 |
| | | <u>3,247,099</u> | <u>-</u> | <u>3,247,099</u> | <u>3,346,814</u> |
| Current assets | | | | | |
| Debtors | 13 | 51,405 | - | 51,405 | 65,333 |
| Cash at bank and in hand | | <u>528,797</u> | <u>-</u> | <u>528,797</u> | <u>407,302</u> |
| | | <u>580,202</u> | <u>-</u> | <u>580,202</u> | <u>472,635</u> |
| Creditors | | | | | |
| Amounts falling due within one year | 14 | (545,001) | - | (545,001) | (494,920) |
| Net current assets | | <u>35,201</u> | <u>-</u> | <u>35,201</u> | <u>(22,285)</u> |
| Total assets less current liabilities | | <u>3,282,300</u> | <u>-</u> | <u>3,282,300</u> | <u>3,324,529</u> |
| NET ASSETS | | <u>3,282,300</u> | <u>-</u> | <u>3,282,300</u> | <u>3,324,529</u> |
| Funds | 15 | | | | |
| Unrestricted funds | | | | <u>3,282,300</u> | <u>3,324,529</u> |
| Total funds | | | | <u>3,282,300</u> | <u>3,324,529</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 29/05/21 and were signed on its behalf by:


Mr F Zaheer - Trustee

The notes form part of these financial statements

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Notes | 2020 £ | 2019 £ |
|---|-------|-----------|-----------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 127,804 | (19,815) |
| Net cash provided by/(used in) operating activities | | 127,804 | (19,815) |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (6,309) | (37,591) |
| Net cash used in investing activities | | (6,309) | (37,591) |
| Change in cash and cash equivalents in the reporting period | | 121,495 | (57,406) |
| Cash and cash equivalents at the beginning of the reporting period | | 407,302 | 464,708 |
| Cash and cash equivalents at the end of the reporting period | | 528,797 | 407,302 |

The notes form part of these financial statements

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Reconciliation of net expenditure to net cash flow from operating activities

| | 2020 | 2019 |
|--|----------------|-----------------|
| | £ | £ |
| Net expenditure for the reporting period (as per the Statement of Financial Activities) | (42,229) | (244,020) |
| Adjustments for: | | |
| Depreciation charges | 106,024 | 110,073 |
| Decrease in debtors | 13,928 | 71,890 |
| Increase in creditors | 50,081 | 42,242 |
| Net cash provided by/(used in) operations | <u>127,804</u> | <u>(19,815)</u> |

2. Analysis of changes in net funds

| | At 1.9.19 | Cash flow | At 31.8.20 |
|--------------------------|------------------|------------------|-------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | 407,302 | 121,495 | 528,797 |
| | <u>407,302</u> | <u>121,495</u> | <u>528,797</u> |
| Total | <u>407,302</u> | <u>121,495</u> | <u>528,797</u> |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Basis of consolidation

The group financial statements consolidate the financial statements of the Charity and its wholly owned subsidiary Hartley Boarding Halls Limited. All inter group transactions and profits are eliminated fully on consolidation. As permitted by section 408 of the Companies Act 2006, a separate Statement of Financial Activities and income and expenditure account for the charity itself are not presented.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|------------------------------------|
| Freehold property | - 2% per annum straight line basis |
| Short leasehold | - Straight line over 10 years |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Donations and legacies

| | 2020 | 2019 |
|--------------------|----------------|----------------|
| | £ | £ |
| Donations received | 18,423 | 121,186 |
| Grants | 245,505 | - |
| | <u>263,928</u> | <u>121,186</u> |

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Income from charitable activities

| | | 2020 | 2019 |
|---|-----------------------|------------------|------------------|
| | Activity | £ | £ |
| School fees | Charitable activities | 2,593,871 | 2,722,218 |
| Rent received and hire of facilities | Charitable activities | 75,150 | 96,800 |
| Books, sundry fees and miscellaneous income | Charitable activities | 183,717 | 181,503 |
| | | <u>2,852,738</u> | <u>3,000,521</u> |

5. Charitable activities costs

| | Direct Costs | Support costs (see note 6) | Totals |
|-----------------------|---------------------|-----------------------------------|------------------|
| | £ | £ | £ |
| Charitable activities | <u>2,550,643</u> | <u>608,252</u> | <u>3,158,895</u> |

6. Support costs

| | Management | Finance | Information technology |
|-----------------------|------------------------|-------------------------|-------------------------------|
| | £ | £ | £ |
| Charitable activities | <u>499,830</u> | <u>6,040</u> | <u>60,237</u> |
| | Human resources | Governance costs | Totals |
| | £ | £ | £ |
| Charitable activities | <u>5,789</u> | <u>33,159</u> | <u>608,252</u> |
| | Other | | |
| | £ | | |
| | <u>3,197</u> | | |

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

| | 2020 | 2019 |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Auditors' remuneration | 4,680 | 4,680 |
| Depreciation - owned assets | <u>106,024</u> | <u>110,073</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Trustees' remuneration and benefits

During the year charity paid remuneration £22,800 (2019: £11,400) to Mr K Z Hafeez in addition to their trusteeship.

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2020 (2019: £8,297).

9. Staff costs

| | 2020 | 2019 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,141,229 | 2,194,327 |
| Social security costs | 158,124 | 174,593 |
| Other pension costs | 34,789 | 29,406 |
| | <u>2,334,142</u> | <u>2,398,326</u> |

The average monthly number of employees during the year was as follows:

| | 2020 | 2019 |
|----------------|-------------|-------------|
| | | |
| Teaching staff | 68 | 68 |
| Support staff | 45 | 45 |
| | <u>113</u> | <u>113</u> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | 2020 | 2019 |
|-------------------|-------------|-------------|
| | | |
| £60,001 - £70,000 | <u>1</u> | <u>1</u> |

The key management personnel of the charity comprise the Trustees, the Head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were £168,574 (2019:£193,568).

10. Comparatives for the statement of financial activities

| | Unrestricted funds | Restricted fund | Total funds |
|-----------------------------------|---------------------------|------------------------|--------------------|
| | £ | £ | £ |
| Income and endowments from | | | |
| Donations and legacies | 121,186 | - | 121,186 |
| Charitable activities | | | |
| Charitable activities | 3,000,521 | - | 3,000,521 |
| Total | <u>3,121,707</u> | <u>-</u> | <u>3,121,707</u> |
| Expenditure on | | | |
| Charitable activities | | | |
| Charitable activities | 3,365,727 | - | 3,365,727 |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Comparatives for the statement of financial activities - continued

| | Unrestricted funds £ | Restricted fund £ | Total funds £ |
|------------------------------------|-------------------------------------|----------------------------------|------------------------------|
| NET INCOME/(EXPENDITURE) | (244,020) | - | (244,020) |
| Reconciliation of funds | | | |
| Total funds brought forward | 3,568,549 | - | 3,568,549 |
| Total funds carried forward | 3,324,529 | - | 3,324,529 |

11. Tangible fixed assets

| | Freehold property £ | Short leasehold £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|-----------------------|------------------------------------|----------------------------------|--|---------------------------------|---------------------|
| Cost | | | | | |
| At 1 September 2019 | 3,853,393 | 177,909 | 739,318 | 15,271 | 4,785,891 |
| Additions | - | - | 6,309 | - | 6,309 |
| At 31 August 2020 | 3,853,393 | 177,909 | 745,627 | 15,271 | 4,792,200 |
| Depreciation | | | | | |
| At 1 September 2019 | 692,512 | 177,909 | 554,833 | 13,923 | 1,439,177 |
| Charge for year | 77,068 | - | 28,619 | 337 | 106,024 |
| At 31 August 2020 | 769,580 | 177,909 | 583,452 | 14,260 | 1,545,201 |
| Net book value | | | | | |
| At 31 August 2020 | 3,083,813 | - | 162,175 | 1,011 | 3,246,999 |
| At 31 August 2019 | 3,160,881 | - | 184,485 | 1,348 | 3,346,714 |

Manchester Islamic Educational Trust owns three freehold properties and these are situated as follows:

- 55 High Lane, Chorlton, Manchester,
- Hartley Hall, Alexandra Road South, Manchester,
- The Grange, 551 Wilmslow Road, Withington, Manchester.

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £30.6M which is an estimate of their reinstatement value.

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Fixed asset investments

| | Shares in group undertakin £ |
|---|---------------------------------------|
| Market value | |
| At 1 September 2019 and 31 August 2020 | 100 |
| Net book value | |
| At 31 August 2020 | 100 |
| At 31 August 2019 | 100 |

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Hartley Boarding Halls Ltd

Registered office: 61a Brantingham Road, Whalley Range, Manchester, England, M16 8PA

Nature of business: Rental income from student accommodation

| | |
|------------------------|----------------------|
| Class of share: | % holding |
| Equity share | 100 |

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Aggregate capital and reserves | 100 | 100 |
| Profit for the year | - | 590 |

The charity controls its trading subsidiary Hartley Boarding Halls Ltd (Company Number 08956450, previously known as Hartley Hall of Residence Ltd), a company registered in England and Wales, by virtue of holding 100% equity share capital.

Hartley Boarding Halls Ltd principal activity continues to be that of receiving rental income from student accommodation. Hartley Boarding Halls Ltd was set up for furthering the fundraising activities of Manchester Islamic Educational Trust Ltd (Charity) with all profits to be donated back to Charity. The charity made an application to strike the company off the register in March 2021.

13. Debtors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 23,826 | 34,522 |
| Other debtors | 24,023 | 23,214 |
| Prepayments and accrued income | 3,556 | 7,597 |
| | 51,405 | 65,333 |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 67,235 | 60,199 |
| Social security and other taxes | 59,889 | 57,877 |
| Pension control account | 6,138 | 6,240 |
| Other creditors | 85,368 | 55,487 |
| Refundable deposits | 318,726 | 306,629 |
| Accruals and deferred income | 7,645 | 8,488 |
| | <u>545,001</u> | <u>494,920</u> |

15. Movement in funds

| | At 1.9.19 | Net movement in funds | At 31.8.20 |
|---------------------------|------------------|------------------------------|-------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| Unretricted donations | 3,324,529 | (42,229) | 3,282,300 |
| TOTAL FUNDS | <u>3,324,529</u> | <u>(42,229)</u> | <u>3,282,300</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources | Resources expended | Movement in funds |
|---------------------------|---------------------------|---------------------------|--------------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| Unretricted donations | 3,116,666 | (3,158,895) | (42,229) |
| TOTAL FUNDS | <u>3,116,666</u> | <u>(3,158,895)</u> | <u>(42,229)</u> |

Comparatives for movement in funds

| | At 1.9.18 | Net movement in funds | At 31.8.19 |
|---------------------------|------------------|------------------------------|-------------------|
| | £ | £ | £ |
| Unrestricted funds | | | |
| Unretricted donations | 3,568,549 | (244,020) | 3,324,529 |
| TOTAL FUNDS | <u>3,568,549</u> | <u>(244,020)</u> | <u>3,324,529</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|-------------------------------------|-------------------------------------|------------------------------------|
| Unrestricted funds | | | |
| Unretricted donations | 3,121,707 | (3,365,727) | (244,020) |
| TOTAL FUNDS | <u>3,121,707</u> | <u>(3,365,727)</u> | <u>(244,020)</u> |

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.9.18 £ | Net movement in funds £ | At 31.8.20 £ |
|---------------------------|------------------------|--|-----------------------------|
| Unrestricted funds | | | |
| Unretricted donations | 3,568,549 | (286,249) | 3,282,300 |
| TOTAL FUNDS | <u>3,568,549</u> | <u>(286,249)</u> | <u>3,282,300</u> |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|-------------------------------------|-------------------------------------|------------------------------------|
| Unrestricted funds | | | |
| Unretricted donations | 6,238,373 | (6,524,622) | (286,249) |
| TOTAL FUNDS | <u>6,238,373</u> | <u>(6,524,622)</u> | <u>(286,249)</u> |

16. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £34,789 (2019: £29,406).

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Related party disclosures

During the year charity paid £8,534 (2019:£7,828) towards accountancy services to Zaheer and Co, Chartered Certified Accountants, in which Farroukh Zaheer, who is a trustee of Manchester Islamic Educational Trust Ltd, is a partner.

As at 31 August 2020, the amount owed by British Muslim Heritage Centre, a connected charity by way of common trustees was £NIL (2019: £20,000) and included within other debtors. The loan is interest free, unsecured and payable on demand. This loan has been repaid during the year.

Manchester Islamic Educational Trust Ltd owns 100% share capital of Hartley Boarding Halls Ltd. Farroukh Zaheer, Nasar Mahmood, Haytham Al-Khaffaf are directors of Hartley Boarding Halls Ltd. The charity made an application to strike the company off the register in March 2021.

18. Post balance sheet events

Since the year end, the Covid-19 pandemic has caused considerable disruption to the global economy. Notwithstanding that, Covid 19 is deemed to be a non-adjusting post balance sheet event. Having considered the impact of Covid 19 on the Charity, the trustees consider that there are no non-adjusting post balance events that require disclosure in these financial statements as a result of Covid -19.

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

| | 2020 £ | 2019 £ |
|---|-------------------|-------------------|
| Income and endowments | | |
| Donations and legacies | | |
| Donations received | 18,423 | 121,186 |
| Grants | 245,505 | - |
| | <u>263,928</u> | <u>121,186</u> |
| Charitable activities | | |
| School fees | 2,593,871 | 2,722,218 |
| Rent received and hire of facilities | 75,150 | 96,800 |
| Books, sundry fees and miscellaneous income | 183,717 | 181,503 |
| | <u>2,852,738</u> | <u>3,000,521</u> |
| Total incoming resources | <u>3,116,666</u> | <u>3,121,707</u> |
| Expenditure | | |
| Charitable activities | | |
| Wages | 2,141,229 | 2,194,327 |
| Social security | 158,124 | 174,593 |
| Pensions | 34,789 | 29,406 |
| Books and resources | 100,977 | 135,701 |
| School trips and coach hire | 113,326 | 86,328 |
| Donations | 2,198 | 8,951 |
| Fundraising costs | - | 171 |
| | <u>2,550,643</u> | <u>2,629,477</u> |
| Support costs | | |
| Management | | |
| Rates and water | 31,446 | 36,817 |
| Insurance | 32,955 | 31,531 |
| Light and heat | 66,195 | 68,574 |
| Telephone | 14,262 | 14,619 |
| Postage and stationery | 16,253 | 26,515 |
| Advertising | 69,492 | 89,748 |
| Sundries | 1,590 | 2,476 |
| Canteen cost | 48,031 | 67,787 |
| Cleaning | 66,663 | 88,220 |
| Subscriptions | 36,553 | 42,017 |
| Staff recruitment and training | 9,806 | 16,993 |
| Bad debts | 560 | 1,096 |
| Freehold property | 77,068 | 77,068 |
| Carried forward | 470,874 | 563,461 |

This page does not form part of the statutory financial statements

**MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

| | 2020 £ | 2019 £ |
|-------------------------------|-------------------|-------------------|
| Management | | |
| Brought forward | 470,874 | 563,461 |
| Fixtures and fittings | 28,619 | 32,556 |
| Motor vehicles | 337 | 449 |
| | <u>499,830</u> | <u>596,466</u> |
| Finance | | |
| Bank charges | 6,040 | 5,651 |
| Information technology | | |
| Repairs and renewals | 60,237 | 73,109 |
| Human resources | | |
| Software licences | 5,789 | 19,009 |
| Other | | |
| Motor and travel expenses | 3,197 | 3,109 |
| Governance costs | | |
| Auditors' remuneration | 4,680 | 4,680 |
| Accountancy and legal fees | 11,409 | 17,800 |
| Legal fees | 10,561 | 9,661 |
| Consultancy fees | 6,509 | 6,765 |
| | <u>33,159</u> | <u>38,906</u> |
| Total resources expended | <u>3,158,895</u> | <u>3,365,727</u> |
| Net expenditure | <u>(42,229)</u> | <u>(244,020)</u> |

This page does not form part of the statutory financial statements