

**Manchester Islamic Educational Trust Limited**

**Charity No: 1073862**



**Directors and Trustees Report and Accounts**

**For the year ended 31 August 2002**

## **Manchester Islamic Educational Trust Limited**

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# **Manchester Islamic Educational Trust Limited**

## **Charity Information**

### **Trustees / Directors**

Mr Abdul - Aziz Shaik  
Maulana Habib - Ur - Rahman  
Mr Paul Barnes  
Mr Nasar Mahmood  
Mr Imad Al-Salam  
Dr Haytham Al - Khaffaf  
Mr Mohammad Al - Qallaf  
Dr Abdullah Al - Majid  
Mr Salim Al - Astewani  
Mr Abdul Kadir Kawooya  
Mr Farroukh Zaheer

### **Charity Number**

1073862

### **Charity and registered Office**

Hartley Hall  
Alexandra Road South  
MANCHESTER  
M16 8NH

### **Auditors**

Edmondson & Co  
170a London Road  
Hazel Grove  
STOCKPORT  
SK7 4DJ

### **Bankers**

Bank of Ireland  
John Dalton Street  
MANCHESTER  
M2 6BN

### **Company Number**

3544402

## **MANCHESTER ISLAMIC EDUCATIONAL TRUST Limited.**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2002**

The Trustees present their annual report and the audited financial statements for the year ended 31 August 2002. The Trustees have adopted the provisions of the statement of recommended practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the above Charity.

#### **Trustees:**

The Trustees named on page 1 have served through out the year. The procedure for appointment and removal is detailed in the Memorandum and the Article of Association of the Trust. The Board of Trustees may appoint a Trustee during the year to fill a casual vacancy to serve a probationary period of six months subject to satisfactory outcome of the probation then a permanent trusteeship is offered. There have not been any new appointments or resignations of trustees during the year

#### **Investment Power:**

The Board of Trustees is authorised to make and hold investments using the general funds of the above Charity. However, no such investments are presently held.

#### **Constitution, objects and policies:**

The charity is constituted as a company by guarantee and is therefore governed by a Memorandum and Articles of Association.

The objective of the trust is the advancement of education generally and Islamic Education in particular in the United Kingdom and to provide and maintain schools in the United Kingdom for the teaching and education of young persons in the doctrines and practice of the Islamic faith and Arabic language

The policy of the Charitable Trust continues to seek additional funds to continue maintaining and expanding the existing schools and to establish such other schools

The Trustees delegate the day-to-day responsibility for managing schools to appointed school officials. The details of the principal office, bankers and auditors are set out on page 1

#### **Developments, activities and achievement:**

The Trustees consider that the performance of the Trust through the year has been most satisfactory. The Manchester Islamic High School for Girls has throughout the year provided high academic achievements in school league tables. GCSE statistics were 92% pass rate, which were recorded in the press. Also, one girl attained 11 GCSE's, 9 of them A\* and 2 grade A's. The girls also entered The Europe Science Competition, submitting a project on honey, and they won the first prize of 500 Euros. Furthermore, the Boys Grammar School has also been maintained. Both schools are progressing satisfactorily and have gained more number of pupils during the year with a steady income from fees

The Girls school organised a Presentation Evening held at Stockport Town Hall to celebrate the success of the girls GCSE achievements for the previous academic year. The evening was well attended by the community. The speakers at the evening included the local MP for the Cheadle Constituency Mrs. Patsy Carlton and other community representatives.

More classes at the new premises of KD school have been renovated due to the rapid promotion of the school and its high academic standards, which have been achieved due to the hard team work of Trustees, Staff, Parents and Pupils

#### **Risks**

The Trust feels that the highest standards of Health and Safety should be implemented across the schools as to provide and maintain safe and healthy conditions, equipment and systems of work for all employees, pupils and other individuals who are in any way affected by the facilities and activities of the schools. Moreover, Parents need above all other considerations, reassurance that a school has health and safety arrangements.

## **Manchester Islamic Educational Trust Limited**

### **Trustees Report for the year ending 31 August 2001**

**continued ...**

#### **Risk Continued**

The Trust acknowledge their duty to undertake a range of workplace assessments to ensure that hazards are being properly identified and appropriate protective measures instituted as to assist in minimising the possibility of loss from risks. To this effect they may nominate their staff to co-ordinate on this issue. Coherent planning should seek to guide departments' efforts to deal with priority issues and ensure that resources are utilised effectively and fully. It is necessary to periodically review the performance of the systems implemented.

In addition identified risks such as building damage, equipment, fire, accidents which may occur, are protected under a proper annual insurance cover.

#### **Financial Review and Future Developments:**

The financial situation of the Trust continued to be satisfactory. The academic standard of the school continues to rise and the school continue to gain popularity and more pupils are applying to join the school and waiting lists are established. We are now able to charge higher fees. This in turn enables the trust to improve school facilities, offer better salaries to our staff and reduce our reliance on voluntary donations.

#### **Statement of Trustees' Responsibilities**

The Trustees are required by law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity's activities during the year and the financial position at the end of the year.

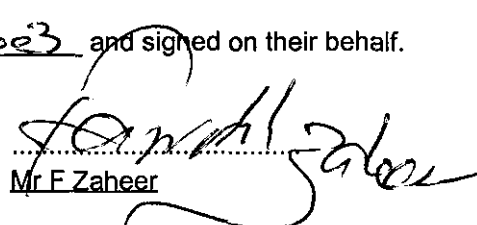
In preparing those financial statements the trustees are required to:

- A. Select suitable accounting policies and apply them where appropriate.
- B. Make judgment and estimates that are reasonable and prudent
- C. State whether applicable standard and statements of recommended practice have been followed, subject to any departures, disclosed and explained in the financial statement.
- D. Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the above 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 to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Charity and hence taking responsible steps for the prevention and detection of fraud and other irregularities.

#### **Approval**

This report was approved by the Trustees on 05 July 2003 and signed on their behalf.

  
Mr F Zaheer

## **Manchester Islamic Educational Trust Limited**

### **Report of the Independent Auditors to the Directors and Trustees of**

## **Manchester Islamic Educational Trust Limited**

We have audited the financial statements of Manchester Islamic Educational Trust Limited for the year ended 31 August 2002 have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 9

#### **Respective responsibilities of trustees and auditors**

As described on page 1 of the charity's trustees who are also the directors of Manchester Islamic Educational Trust Limited for the purposes of company law are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Report of the Trustees and consider implications of our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

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 2002 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Edmondson & Co  
Chartered Accountants and Registered Auditors  
170A London Road  
Hazel Grove  
Stockport  
Cheshire  
SK7 4DJ

18/12 July 2002.

**Manchester Islamic Educational Trust Limited**

**Statement of Financial Activities**  
**for the year ended 31 August 2002**

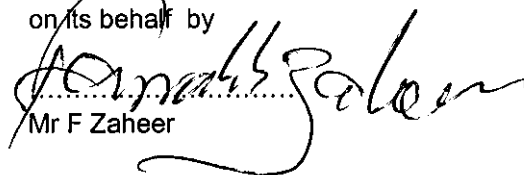
	<b>Notes</b>	<b><u>Unrestricted</u></b> <b><u>Funds</u></b> <b><u>2002</u></b> <b>£</b>	<b><u>Unrestricted</u></b> <b><u>Funds</u></b> <b><u>2001</u></b> <b>£</b>
<b><u>Incoming Resources</u></b>			
Donations raised through fund raising		47707	104208
School Fees		965378	664352
Rent Received and hire of facilities		12655	10185
Books & Misc Sales		72001	35649
<b>Total Incoming Resources</b>		<b><u>1097741</u></b>	<b><u>814394</u></b>
<b><u>Resources Expended</u></b>			
<b><u>Direct Charitable</u></b>			
Educational	2	893055	723331
<b><u>Other Expenditure</u></b>			
Establishment	3	111102	77926
Administrative	4	49934	45240
Depreciation	5	14682	14103
<b>TOTAL Expenditure</b>		<b><u>1068773</u></b>	<b><u>860600</u></b>
<b>Net Movement in Funds for the Year</b>		<b>28968</b>	<b>(46206 )</b>
<b>Total Funds Brought forward</b>		<b>(802 )</b>	<b>45404</b>
<b>Total Funds Carried Forward</b>		<b><u>28166</u></b>	<b><u>(802 )</u></b>

**Manchester Islamic Educational Trust Limited**

**Balance Sheet as at 31 August 2002**

<u>2001</u>		<u>Notes</u>	<u>2002</u>
	<b><u>Fixed Assets</u></b>		<b><u>£</u></b>
79920	Tangible Assets for use by the Charity	<b>5</b>	83703
	<b><u>Current Assets</u></b>		
7072	Debtors	<b>7</b>	21589
39915	Cash at Bank and in Hand		<u>62155</u>
<u>46987</u>			<u>83744</u>
	<b><u>Current Liabilities</u></b>		
<u>127709</u>	Creditors - Amount falling due more than one year	<b>8</b>	<u>139281</u>
(80722 )	<b>Net Current Assets (Liabilities)</b>		(55537 )
<u>(802 )</u>	<b>Total Assets Less Current (Liabilities)</b>		<u>28166</u>
	<b><u>Capital</u></b>		
<u>(802 )</u>	Unrestricted Funds		<u>28166</u>

Approved by the board of directors and trustees on 05 July 2003 and signed  
on its behalf by

  
Mr F Zaheer



# **Manchester Islamic Educational Trust Limited**

## **Notes to the Accounts for the year ended 31 August 2002**

### **1 Accounting Policies**

#### **1.1 Basis of Preparation of Accounts**

The financial statements are prepared under the historical cost convention and include the results of the Charity's operations which are described in the Trustee's Report and all of which are continuing.

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Accountancy and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985

The Charity has taken advantage of the exemption in Financial Reporting Standards No 1 from the requirements to produce a cashflow statement on the grounds that it qualifies as a small Charity.

#### **1.2 Tangible Fixed Assets for use by the Charity and Depreciation**

Tangible Fixed Assets for use by the Charity are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of valuation fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Equipment	15% Reducing Balance Basis
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#### **1.3 Income**

Voluntary income and donations are accounted for as received by the charity. The income from fund raising ventures is shown gross, with the associated costs included in the relevant costs in the Statement of Financial Activities.

#### **1.4 Value Added Tax**

Value added tax is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

#### **1.5 Fund Raising Costs**

Fund raising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of advertising for donations and the staging of special fund raising events.

#### **1.6 Management and Administration Expenditure**

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activities or fund raising ventures. This includes costs of renting and running office premises, staff salaries for administrative staff and audit fees.

#### **1.7 Pension Costs**

The charity maintain a stakeholder pension scheme to which the company does not contribute at present.

# **Manchester Islamic Educational Trust Limited**

## **Schedule of Overheads/Administrative Expenses** **for the year ended 31 August 2002**

	2002	2001
	£	£
<b>2    <u>Educational</u></b>		
Books	59481	35909
Staff Salaries and Temps	736296	609497
Training	11261	6700
GCSE Exam Fees	7007	3504
Uniforms	13340	6525
Donations	30927	59600
School trips	21610	1596
Software Implementation	5725	---
School Fund Account	7370	
Interest on PAYE	38	
	<u>893055</u>	<u>723331</u>
 <b>3    <u>Establishment</u></b>		
Telephone	4209	4139
Heat & Light	10650	11102
Rates & Water Rates	4189	3509
Repairs & Maintenance	18740	8257
Sundries, Cleaning & Waste Disposal	36340	19482
Alarm and Security	1974	1437
Contributions to School running costs for K D Grammar School	35000	30000
	<u>111102</u>	<u>77926</u>
 <b>4    <u>Administrative</u></b>		
Insurance	3306	2517
Accountancy & Book Keeping	2462	3611
Legal Charges	385	480
Bank Charges	1082	717
Travelling Expenses	2463	953
Subscriptions & Copyright	1242	3377
Postage, Stationery & Printing	17436	14088
Advertising	17065	16761
Prizes and Awards	4493	2736
	<u>49934</u>	<u>45240</u>

# Manchester Islamic Educational Trust Limited

## Notes to the Accounts for the year ended 31 August 2001

<b>5 Fixed Assets</b>	<u>Improvements and refurbishment to Buildings</u>	<u>Equipment</u>	<u>Total</u>
Cost at 1 Sept 2001	40051	67194	107245
Additions	---	18465	18465
As at 31 August 2002	<u>40051</u>	<u>85659</u>	<u>125710</u>

### Accumulated Depreciation

At 1 Sept 2001	10564	16761	27325
Charge for the Year	4423	10259	14682
At 31 August 2002	<u>14987</u>	<u>27020</u>	<u>42007</u>

### Net Book Value

At 31 August 2002	<u>25064</u>	<u>58639</u>	<u>83703</u>
At 31 August 2001	<u>29487</u>	<u>50433</u>	<u>79920</u>

### **6 Costs**

No Remuneration was paid to the trustees during the year.

### **7 Debtors**

	<u>2002</u>	<u>2001</u>
	£	£
School Fees	17033	3000
Prepayments	4556	4072
	<u>21589</u>	<u>7072</u>

### **8 Current Liabilities**

Deposits	57500	40500
Creditors & Accruals	79325	87209
Bank Overdraft	2456	---
	<u>139281</u>	<u>127709</u>

### **9 Staff Cost**

	£	£
Wages and Salaries	736296	609497

The average weekly number of staff employed calculated in full time equivalent during the year was as follows

Direct charitable/educational	45	44
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No employees received remuneration of more than £50000