

**DARUL ULOOM SCHOOL (LONDON)**

**Trustees Report and Accounts**

**for the year ended 31 July 2019**

Registered Charity No: 1043305

***Pearlman Rose***

Chartered Accountants  
39-40 Skylines Village  
Limeharbour, Docklands  
London E14 9TS

## **DARUL ULOOM SCHOOL (LONDON)**

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### **Information**

<b>Trustees</b>	A H V Patel I V A Maljee U H Patel A A Ghiwala (Appointed 12 <sup>th</sup> September 2018) I Patel (Appointed 26 <sup>th</sup> January 2019) Dr M A Yusuf (Appointed 26 <sup>th</sup> January 2019)
<b>Charity No</b>	1043305
<b>Charity offices</b>	Foxbury Avenue Off Perry Street Chislehurst Kent BR7 6SD
<b>Accountants</b>	Pearlman Rose Chartered Accountants 39-40 Skylines Village Limeharbour, Docklands London E14 9TS
<b>Bankers</b>	NatWest Bank plc 87 High Street Sidcup DA14 6DL

## **DARUL ULOOM SCHOOL (LONDON)**

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## **DARUL ULOOM SCHOOL (LONDON)**

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### **Trustees' Report for the year ended 31 July 2019**

(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 31<sup>st</sup> July 2019.

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 2015).

#### **Trustees**

The trustees who acted during the year were as follows:-

A H V Patel	
I V Maljee	
U H Patel	
A Musa	(Removed 21 <sup>st</sup> December 2018)
A Ghiwala	(Appointed 12 September 2018)
A Yusuf	(Appointed 26 January 2019)
I Patel	(Appointed 26 January 2019)

The Trust Deed of the charity governs 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 in general. The policy of the school continues to be of inviting contributions from any person or persons by way of contributions towards fees, voluntary donations, deed of covenants and zakat contributions.

#### **Development, Review of Activities and Plans for future periods**

2018/19 has been a year of consolidation and the re-establishment of the reputation of the school and of convincing parents of the integrity and ability of the Trustees, management and teachers to deliver a sound all round education to their children. It has been a difficult and daunting task but the Trustees are making strenuous efforts to restore confidence and faith in the school. We are happy to report that we are beginning to make an impact once again and are hopeful that in time we shall be in a position to regain the trust and confidence of the community.

The Ofsted report of May 2017 which although found some aspects of the school such as the grading of personal development, behaviour and welfare to be "good" and arrangements for safeguarding and welfare of pupils "effective" other aspects were classified as "inadequate". As a result of which the Trustees implemented a series of procedural improvements which were recognised by Ofsted during their follow up inspection and subsequent report of June 2019 in which the school was upgraded from "inadequate" to "requires improvements". The Trustees are therefore happy to report that the procedural improvements have achieved their objective.

## **DARUL ULOOM SCHOOL (LONDON)**

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### **Trustees' Report for the year ended 31 July 2019....continued**

The Trustees are hopeful that all other issues raised by Ofsted especially those relating to financial controls will be satisfactorily resolved shortly as further procedural improvements continue to be implemented.

The Trustees are particularly encouraged and reassured by the impending conclusion of the statutory inquiry into the charity. The inquiry report is due to be issued by the Charity Commission.

The Trustees are grateful for the continued support given by the management and staff and the work of both the existing and new Trustees which has enabled the charity to achieve its objectives. Furthermore, the Trustees extend their appreciation to those who have contributed towards the costs of running the charity and also to the members of the local community who continue to support it by providing invaluable professional services on a voluntary basis. All these efforts have combined to make the charity a success.

#### **Financial review**

The charity raises funds mainly from fees and donations. During the year the average number of students was 115 as opposed to 159 in the previous year which regrettably resulted in a reduction of £257,759 in the overall income. This coupled with the increase in Repairs and Maintenance (referred to below) and Legal & Professional Fees resulted in a deficiency of income of £184,873 for the year. However the Trustees are confident that this trend will be reversed in the current and future financial years.

The increase in Repairs and Maintenance expenditure was largely due to the refurbishment and upgrading of the toilets and bathrooms in order to fully comply with the requirements of the National Minimum Standards for Boarding Schools.

The other office overheads are consistent with the level of activity during the year. Funds available are sufficient for the charity to continue its operations satisfactorily.

#### **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).

The law applicable to charities in England and Wales 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 2019....continued**

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity that enables them to ascertain the financial position of the charity and to ensure that the financial statements comply with Charities Act 2011, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website 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 29 April 2020 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'A H V Patel', is written over a horizontal line.

**A H V 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 2019.

**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:** 29 April 2020

Pearlman Rose  
Chartered Accountants  
39-40 Skylines Village  
Limeharbour, Docklands  
London  
E14 9TS

# DARUL ULOOM SCHOOL (LONDON)

## Statement of Financial Activities for the year ended 31 July 2019

	Notes	Unrestricted Funds	
		2019 £	2018 £
<b>Income and endowments</b>			
Donations and legacies		307,525	474,100
Voluntary donations		6,482	97,666
<b>Total income</b>	<b>2</b>	<u>314,007</u>	<u>571,766</u>
<b>Expenditure</b>			
Charitable activities		463,083	325,062
Governance costs		35,797	11,223
<b>Total expenditure</b>	<b>3</b>	<u>498,880</u>	<u>336,285</u>
<b>Net incoming/(expenditure) for the year</b>		(184,873)	235,481
<b>Total funds brought forward</b>		2,047,042	1,811,561
<b>Total funds carried forward</b>		<u>1,862,169</u>	<u>2,047,042</u>

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

The notes on pages 8 to 12 form part of these accounts.



# DARUL ULOOM SCHOOL (LONDON)

## Statement of Financial Position as at 31 July 2019

	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible assets	5	1,417,017	1,461,432
<b>Current Assets</b>			
Stock of books & stationery	6	1,620	1,467
Cash at bank and in hand		482,943	632,113
		<u>484,563</u>	<u>633,580</u>
<b>Current Liabilities</b>			
Other creditors & accruals	7	39,411	47,970
		<u>39,411</u>	<u>47,970</u>
<b>Net Current Assets</b>		445,152	585,610
<b>Total Assets less Current Liabilities</b>		<u>1,862,169</u>	<u>2,047,042</u>
<b>Capital Account</b>			
Unrestricted funds		<u>1,862,169</u>	<u>2,047,042</u>

Approved by the trustees on 29 April 2020 and signed on their behalf by



**A H V Patel**  
**Trustee**

The notes on pages 8 to 12 form part of these accounts

**DARUL ULOOM SCHOOL (LONDON)**

**Statement of Cash Flows  
for the year ended 31 July 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	(184,873)	235,481
<b>Adjustments for:</b>		
Depreciation charges	49,960	52,407
(Increase)/decrease in stocks	(153)	431
Increase/(decrease) in creditors	(8,559)	45,657
<b>Net cash from/(used in) operating activities</b>	<u>(143,625)</u>	<u>333,976</u>
<b>Cash flow from investing activities:</b>		
Purchase of tangible fixed assets	(5,545)	(6,650)
<b>Net cash used in investing activities</b>	<u>(5,545)</u>	<u>(6,650)</u>
<b>Change in cash and cash equivalents in the reporting period</b>	(149,170)	327,326
<b>Cash and cash equivalents at the beginning of the reporting period</b>	632,113	304,787
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>482,943</u>	<u>632,113</u>

The notes on pages 8 to 12 form part of these accounts

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**Notes to the accounts  
for the year ended 31 July 2019**

**1. Accounting Policies**

**1.1. Accounting convention & basis of preparation**

These accounts have been prepared under the historic 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 2015) and in accordance with the Charities Act 2011.

**1.2.1 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.

**1.2.2 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.

**1.2.3 Incoming Resources: Grants and donations**

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

**1.2.4 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.

**1.2.5 Incoming Resources: Contractual income and performance related grants**

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

**1.2.6 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.

**1.2.7 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.

**1.2.8 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.

## DARUL ULOOM SCHOOL (LONDON)

### Notes to the accounts for the year ended 31 July 2019

#### **1.2.9 Incoming Resources: Investment income**

This is included in the accounts when receivable.

#### **1.3.1 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.

#### **1.3.2 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.

#### **1.3.3 Expenditure and Liabilities: Grants with performance conditions**

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.

#### **1.3.4 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.

#### **1.4.1 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.

#### **1.4.2 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.

#### **1.5.1 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
Motor Vehicles	25% Reducing balance method

#### **1.5.2 Assets: Stocks and work in progress**

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

#### **1.6.1 Pensions**

The charity operates a stakeholder pension scheme for its employees. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

# DARUL ULOOM SCHOOL (LONDON)

## Notes to the accounts for the year ended 31 July 2019

<b>2.</b>	<b>Analysis of income</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
	<b>Donations and legacies</b>			
	Contributions by parents towards costs		307,525	474,100
	Voluntary donations		6,482	97,666
	<b>Total income</b>		<b>314,007</b>	<b>571,766</b>
<b>3.</b>	<b>Analysis of expenditure</b>		<b>2019</b>	<b>2018</b>
			<b>£</b>	<b>£</b>
	<b>Charitable activities</b>			
	Stock adjustment		(153)	431
	Wages and salaries	<b>3.1</b>	231,161	163,494
	Examination and educational expenses		24,700	9,497
	Food and catering		40,132	33,844
	Rates		21,919	20,879
	Insurance		638	638
	Light and heat		22,916	16,217
	Cleaning and laundry		7,971	4,961
	Repairs and maintenance		59,698	14,988
	Printing, postage and stationery		955	1,405
	Books and magazines		139	2,513
	Telephone and fax		1,257	1,298
	Travelling		984	559
	Staff training		396	1,540
	Depreciation – Freehold, fixtures & equipment		49,960	52,408
	Computer and software maintenance		410	390
	<b>Total</b>		<b>463,083</b>	<b>325,062</b>
	<b>Governance costs</b>			
	Legal & professional		27,370	3,908
	Accountancy fees		4,440	4,440
	Subscriptions		3,966	2,834
	Sundry expenses		21	41
	<b>Total</b>		<b>35,797</b>	<b>11,223</b>
	<b>Total expenditure</b>		<b>498,880</b>	<b>336,285</b>

# DARUL ULOOM SCHOOL (LONDON)

## Notes to the accounts for the year ended 31 July 2019

3.1 Employee emoluments	2019 £	2018 £
Wages and salaries	229,801	162,261
Social security costs (Employers NIC)	262	898
Staff pension costs	1,098	335
	<u>231,161</u>	<u>163,494</u>
 Average no. of staff	 <u>38</u>	 <u>22</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

## 4. Trustees remuneration and expenses

There were no remuneration or benefits paid to the Trustees or persons connected to them during the year.

## 5. Tangible assets for use by charity

	Land and Buildings freehold	Equipment	Total
	(Assets used directly for charitable purposes)		
	£	£	£
<b>Cost</b>			
At 1 August 2018	1,859,283	279,658	2,138,941
Additions	-	5,545	5,545
At 31 July 2019	<u>1,859,283</u>	<u>285,203</u>	<u>2,144,486</u>
<b>Depreciation</b>			
At 1 August 2018	443,404	234,105	677,509
Charge for the year	37,186	12,774	49,960
At 31 July 2019	<u>480,590</u>	<u>246,879</u>	<u>727,469</u>
<b>Net book Values</b>			
At 31 July 2019	<u>1,378,693</u>	<u>38,324</u>	<u>1,417,017</u>
At 31 July 2018	<u>1,415,879</u>	<u>45,553</u>	<u>1,461,432</u>

# DARUL ULOOM SCHOOL (LONDON)

## Notes to the accounts for the year ended 31 July 2019

<b>6. Stocks</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Stock of books and stationery	1,620	1,467
	<hr/>	<hr/>
<b>7. Current Liabilities</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Sundry creditors and accruals	39,411	47,970
	<hr/>	<hr/>
	39,411	47,970
	<hr/>	<hr/>
<b>8. Net Movement in funds for the year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
The net movement in funds for the year is stated after charging:		
Depreciation of tangible fixed assets used by charity	49,960	52,408
Accountancy fees	4,440	4,440
	<hr/>	<hr/>
<b>9. Unrestricted funds: Movement in the year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Balance brought forward	2,047,042	1,811,561
Income	314,007	571,766
Expenditure	(498,880)	(336,285)
	<hr/>	<hr/>
Total funds carried forward	1,862,169	2,047,042
	<hr/>	<hr/>