

**AYESHA COMMUNITY EDUCATION LIMITED**

**(A company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2016**

**COMPANY REGISTERED IN ENGLAND NO: 5581260**

**REGISTERED CHARITY No 1121317**

## **AYESHA COMMUNITY EDUCATION LIMITED**

### **REPORT OF THE TRUSTEES**

The trustees are pleased to present their report together with the financial statements of the company for the year ended 31 July 2016.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association.

#### **Objects of the Company**

Ayesha Community Education (ACE) was set up in October 2005 to service needs of the local community. ACE is based in West Hendon and this year continued its activities under :

- \* Education
- \* Local Interfaith activities
- \* Relief of Hardship

#### **Education**

ACE continues to oversee a Saturday community school project, Al-Naseeha. Around 100 children for 3 hours every Saturday learning Qu'ran, Arabic, and Islamic Studies.

ACE started a new Nursery in this academic year. The take up was a little slow at the beginning but by the end of the year there was almost 40 children in both classes. The promotion and marketing activities for the nursery have taken a lot of manpower resources, hence some of the other ACE activities haven't been further developed. As the nursery has full time staff it was necessary to concentrate efforts for this in order to ensure the financial viability of the Nursery. The Nursery is part-funded by the local authority who pay for 15 hours per week of costs. Almost all pupils in the reception class are full time and only a few children in the pre reception class are full time.

#### **Youth and Adult Activities**

The demand for teacher training course has gone down and not sufficient to deliver the course this year.

#### **Interfaith**

ACE is still a member of the West Hendon Community Group and hence continues to work closely with the other faith groups locally in West Hendon. Activities include organising weekly youth clubs and social events for the elderly. ACE is also a member of Barnet's Multi-faith Forum which aims to ensure communities living harmoniously together.

#### **Relief of Hardship**

Zaytoon Project : ACE collected donations from local Muslims for helping farmers grow dates and olives in the Middle East. The funds collected were sent to a charity that mainly works with farmers in Palestine.

ACE collected held a food collection day and also collected funds from the local community to buy food and pay for transport for delivery of food to refugees in

#### **Imam Training**

ACE received a grant from the Home Office to deliver a series of training course to Muslim clerics. Our aim is to upskill Muslim Faith Leaders (ie Aalims and Aalimahs) to be able to:-

- connect with young Muslims locally and globally
- be accessible role models for young Muslims at large and be in the right domain and sphere of influence to guide young Muslims
- work together and share good practice and expertise

ACE Successfully delivered 4 courses in London, Cardiff, Luton and High Wycombe.

#### **Organisation**

A board of trustees of three members, who meet quarterly, administers the not for profit company.

#### **Investment powers**

Under the memorandum and articles of association, the company has the power to make any investment as the trustees see fit.

**AYESHA COMMUNITY EDUCATION LIMITED**  
**REPORT OF THE TRUSTEES ( Continued)**

**Review of the activities and future developments**

ACE will continue to develop the Nursery and further promote and market the Nursery.  
ACE will develop its international charity functions to relieve poverty and suffering of those abroad.  
ACE will continue to deliver and further develop the activities delivered in this financial year.  
In order to increase the participation in ACE activities, the trustees recognise that marketing activities need to be increased.

**Statement of Director' and Trustees' responsibilities**

The Charities Act and the Company Act require the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-  
those accounts, 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 business.
  
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements:

ACE's activities have been restrained this year. However there has been a lot planning and preparation that has occurred to launch new educational activities for the new academic year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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 also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 25 May 2017.

.....  
S. M. A. Rehman  
Director and Trustee

**Report of the Independent Examiner to the Trustees on the accounts of the Charity  
for the year ended 31 July 2016**

We report on the financial statements of the Charity on pages 4 to 7 for the year ended 31 July 2015 which have been prepared in accordance with the Charities Act 2011 ( the Act) and with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 as modified in June 2008. (The SORP), under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of trustees and examiner**

As described on page 3, the Charity's trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements.

The trustees are satisfied that the audit requirement of Section 144(1) of the Act does not apply and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subjected to independent examination.

Having satisfied ourselves that the charity is not subject to audit under company law, or otherwise, and is eligible for independent examination, it is our responsibility to:-

- a) examine the accounts under section 145 of the Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) (b) of the Act; and;
- c) to state whether particular matters have come to our attention.

**Basis of opinion and scope of work undertaken**

We conducted our examination in accordance with the General Directions given by the Charity Commissioners for England & Wales setting out the duties of an independent examiner issued by the Charity Commissioners under section 145(5) of the Act in relation to the conducting of an independent examination referred to above. An independent examination includes a review of the accounting records kept by the Charity of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of an unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently we do not express an audit opinion on the view given by the financial statements, and in particular, We express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and our report is limited to the matters set out in the statement below.

We planned and performed our examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report we obtained written assurances from the trustees of all material matters.

**Independent Examiner's Statement, report and opinion**

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, we can confirm that

- 1) In accordance with regulation 31 of The Charities ( Accounts and Reports) Regulations 2008, ( The Regulations) the accounts of this incorporated charity are not required to be audited under Part 16 of the Companies Act 2006;
- 2) this is a report in respect of an examination carried out under section 145 of the Act and in accordance with any directions given by the Commission under subsection (5)(b) of that section which are applicable; and that, no matter has come to our attention in connection with our examination which gives us reasonable cause to believe that in any material respect the requirements have not been met.

.....  
Lewis Associates  
Chartered Certified Accountants  
28 Rosslyn Hill, Hampstead  
London, NW3 1NH

25 May 2017

**AYESHA COMMUNITY EDUCATION LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 JULY 2016**

	<b>Unrestricted Funds £</b>	<b>2016 Restricted Funds £</b>	<b>Total Funds £</b>	<b>2015 Total Funds £</b>
<b>Incoming resources from generated funds</b>				
School fees	34,253		34,253	24,796
<b>Activities for generating funds ;</b>				
Voluntary income - Donations	13,641	-	13,641	31,946
<b>Incoming resources from charitable activities :</b>				
Nursery/reception grant		53,724	53,724	-
Imam training grant		28,999	28,999	-
- Other income	45,285	-	45,285	47,213
	<u>93,179</u>	<u>82,723</u>	<u>175,902</u>	<u>103,955</u>
<b>Resources Expended</b>				
<b>Other resources expended</b>				
<b>Governance costs</b>				
Rent and services	12,003	20,658	32,661	11,112
Light and heat	1,197		1,197	2,339
Staff costs	58,251	31,047	89,298	39,044
Consultancy fees			-	2,851
Postage, printing and stationery			-	13
Teaching materials and books	11,851	2,020	13,871	11,111
Training and development costs	251	24,658	24,909	1,450
Telephone and internet	1,559		1,559	1,755
Subscriptions	64		64	648
Legal and professional fees	117		117	246
Repairs and renewals	6,266		6,266	4,845
Advertising and Promotion	178		178	-
Bank charges	299		299	311
Loss on fixed assets			-	195
Depreciation	857	-	857	876
<b>Total resources expended:</b>	<u>92,893</u>	<u>78,383</u>	<u>171,276</u>	<u>76,797</u>
<b>Net incoming / (outgoing) resources:</b>	286	4,340	4,626	27,158
Gross transfers between funds	53,502	(53,502)	-	-
Accumulated funds brought forward	83,344	53,502	136,846	109,688
<b>Accumulated funds carried forward</b>	<u>137,132</u>	<u>4,340</u>	<u>141,472</u>	<u>136,846</u>

Incoming resources and resulting net movements in funds in each year arise from continuing operations. The charity has no recognised gains or losses other the net movement in funds for the year.

The notes on page 6 and 7 form an integral part of these financial statements

# **AYESHA COMMUNITY EDUCATION LIMITED**

## **BALANCE SHEET AS AT 31 JULY 2016**

	Note	2016	2015
		£	£
<b>Fixed Assets</b>			
Tangible assets	2	751	1,803
<b>Current Assets</b>			
Debtors	3	-	53,181
Cash at bank and in hand		163,606	104,559
		163,606	157,740
<b>Current Liabilities:</b>			
amounts falling due within one year	4	22,887	135,043
<b>Net Assets</b>		141,472	136,846
<b>FUNDS</b>		2016	2015
		£	£
<b>Restricted Funds :</b>			
Unrestricted revenue accumulated funds.		137,132	83,344
<b>Unrestricted Funds :</b>			
Restricted Youth Centre revenue accumulated funds		4,340	53,502
<b>TOTAL FUNDS</b>		141,472	136,846

The directors are satisfied that for the year ended on 31 July 2016 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an independent Examiner whose report appears on pages 4 to 5.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 25 May 2017 and signed on its behalf by:-

.....  
S. M. A. Rehman  
Director and Trustee

The notes of page 6 and 7 form an integral part of these financial statements

## **AYESHA COMMUNITY EDUCATION LIMITED**

### **NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 JULY 2016**

##### **1. Basis of preparation of the accounts.**

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and all other applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales, ( revised June 2008) ( SORP). The accounts have been drawn up in accordance with the provisions of the Charities ( Accounts and Reports) Regulations 2008 and the Companies Act 2006, and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

Insofar as the SORP requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The charity has taken advantage of the exemption in the FRSSE from the requirement to produce a cash flow statement.

##### **Incoming Resources**

Income from all resources are based on amounts receivable during the financial period.

##### **Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

##### **Depreciation**

Depreciation is provided at the following rates based on the estimated useful lives of tangible assets less estimated residual value.

Computer equipment	over three years
Furniture & Fittings	over five years

##### **Fund Accounting**

Funds held by the company are either:

- \* *Unrestricted general funds - these are funds which can be used in accordance with the company's objects at the discretion of the directors. Such funds may be held in order to finance both working capital and capital investment.*
- \* *Restricted funds - these are funds that can only be used for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of these funds in accordance with the restrictions placed upon them.*

##### **Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities.



**AYESHA COMMUNITY EDUCATION LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS ( CONTINUED )**

**FOR THE YEAR ENDED 31 JULY 2016**

<b>2. Tangible Fixed Assets</b>	<b>Computer Equipment £</b>	<b>Furniture &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>			
Balance brought forward	19,416	12,540	31,956
Additions during the year	-	-	-
	<u>19,416</u>	<u>12,540</u>	<u>31,956</u>
<b>Depreciation</b>			
Balance brought forward	17,915	12,433	30,348
Charge for the year	751	106	857
	<u>18,666</u>	<u>12,539</u>	<u>31,205</u>
<b>Net Book Value</b>			
As at 31 July 2016	<u>750</u>	<u>1</u>	<u>751</u>
As at 31 July 2015	<u>1,501</u>	<u>302</u>	<u>1,803</u>

<b>3. Debtors</b>	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	-	50,000
Other debtors	-	3,181
	<u>-</u>	<u>53,181</u>

<b>4. Creditors : amounts falling due within one year</b>	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	18,869	17,303
Other taxes and social security costs	799	834
Accruals and other creditors	3,218	4,560
	<u>22,887</u>	<u>22,697</u>