

REGISTERED COMPANY NUMBER: 07248420 (England and Wales)
REGISTERED CHARITY NUMBER: 1142811

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 May 2016
for
Aldidha Foundation

Merali's Chartered Accountants
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

Aldidha Foundation

**Contents of the Financial Statements
for the Year Ended 31 May 2016**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4 to 5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 15
Detailed Statement of Financial Activities	16 to 17

Aldridha Foundation

Report of the Trustees for the Year Ended 31 May 2016

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 May 2016. 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 for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

- 1) The promotion of religious and racial harmony for the public benefit by promoting knowledge and mutual understanding and respect of beliefs between different religious faiths and racial groups.
- 2) The relief of poverty and the preservation and protections of good help in particularly but not exclusively of women and children.
- 3) For such charitable purposes in according with the law of England and Wales for the benefit of the public as the trustees shall think fit.

Significant activities

The main activities of the Charity are as follows

- 1) General charitable purposes
- 2) Education and training
- 3) The advancement of health and savings of lives
- 4) The prevention or relief of poverty
- 5) Overseas aid / famine relief
- 6) Accommodation/housing
- 7) Amateur sport
- 8) Ecologic/community development/employment

Grantmaking

The Charity provides donations to

- 1) Children/young people
- 2) Other Charities or voluntary bodies

Volunteers

We encourage all members of our schools and centre to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursement of reasonable out of pocket expenses such as travel cost. All those volunteers working with children or other vulnerable groups are CRB checked.

ACHIEVEMENT AND PERFORMANCE

How our activities deliver public benefit

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

Aldha Foundation

Report of the Trustees for the Year Ended 31 May 2016

ACHIEVEMENT AND PERFORMANCE

Religious activities

Quran classes

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people.

Religious dues

It is part of the Islamic faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

Community activities

The charity successfully operated Saturday schools in Willesden, Kingston and Harrow, and fulltime primary school in Harrow. Harrow Primary School provide primary education in a mixed setting from year 1 to 6. The charity also operates a nursery and reception school.

FINANCIAL REVIEW

Principal funding sources

The Charity's main sources of income are collections of donations and religious dues from general public as well as fees from schools. During the year the Charity received total donations and religious dues of £236,169.

Reasonable fees are charged to students of the school. During the year the Charity generated total school fee income of £431,430.

Reserves policy

As at 31/05/16 the general fund reserves include £1,072,378 of revaluation reserve resulted from the unrealised gain on revaluation of the free hold properties.

The general reserve (excluding revaluation reserve) represents unrestricted funds reserve that is maintained to cover expenditure on raising funds and charitable activities.

Restricted fund reserves (if any) are held to be used within certain restrictions of the relevant funds.

In setting up the Charity reserve policy, the trustees have identified various unrestricted funds as detailed in the Statement of Financial Activities (SOFA). The restricted funds (if any) are distributed strictly in accordance with the religious restriction or other restrictions imposed on the relevant fund.

The Charity's policy on general reserve is to hold unrestricted funds not committed or invested in tangible fixed assets to meet 6 months of expenditure.

The current reserves are too low, we intend to increase them by renting one of the freehold properties as well as reducing the overheads by downsizing the school operations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity constitute a limited company, limited by guarantee, as defined by the companies Act 2006 and therefore is controlled by its article and memorandum of association.

Recruitment and appointment of new trustees

Trustees are appointed by resolution of the existing trustees. When a new trustee is so appointed, a memorandum of his appointment shall be prepared.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits. The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of Alsalaam Foundation in the United Kingdom.

Aldridha Foundation

Report of the Trustees
for the Year Ended 31 May 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feed back from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07248420 (England and Wales)

Registered Charity number
1142811

Registered office
82 Gayton Road
Harrow
Middlesex
HA1 2LS

Trustees

F Mehdi	
Mrs S Mehdi	- resigned 3.7.2017
J Baraka	- resigned 23.12.2016
M R M Al Esaa	- appointed 20.12.2016
M M B Bahr Al-Uloom	- appointed 13.2.2017
A Mehdi	- appointed 3.7.2017
A Shaikh	- appointed 1.4.2016
	- resigned 3.11.2016
P Tamiz	- appointed 23.12.2016

Independent examiner

Merali's Chartered Accountants
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 04/08/17..... and signed on its behalf by:



.....
F Mehdi - Trustee

Independent Examiner's Report to the Trustees of
Aldridha Foundation

I report on the accounts for the year ended 31 May 2016 set out on pages six to fifteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)

have not been met.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 19 to the financial statements which provides details of the going concern issues and the plans that the trustees are considering for their mitigation.

No other matter has come to my attention in connection with my examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Independent Examiner's Report to the Trustees of
Alridha Foundation

MPK Merali FCA
ICAEW
Merali's Chartered Accountants
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

Date: 04/08/2017

Aldridha Foundation

Statement of Financial Activities
for the Year Ended 31 May 2016

		Unrestricted fund	Restricted funds	31/5/16 Total funds	31/5/15 Total funds as restated £
	Notes	£	£	£	
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	236,170	-	236,170	517,378
Charitable activities	3				
School		431,430	-	431,430	353,139
Total		<u>667,600</u>	<u>-</u>	<u>667,600</u>	<u>870,517</u>
 EXPENDITURE ON					
Raising funds	4	106,043	-	106,043	169,275
Charitable activities					
School		522,801	-	522,801	514,752
Donations		302,090	-	302,090	569,402
Other		371,221	-	371,221	-
Total		<u>1,302,155</u>	<u>-</u>	<u>1,302,155</u>	<u>1,253,429</u>
NET INCOME/(EXPENDITURE)		<u>(634,555)</u>	<u>-</u>	<u>(634,555)</u>	<u>(382,912)</u>
 Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		(98)	-	(98)	1,072,476
Net movement in funds		<u>(634,653)</u>	<u>-</u>	<u>(634,653)</u>	<u>689,564</u>
 RECONCILIATION OF FUNDS					
As previously reported		1,500,302	-	1,500,302	873,238
Prior year adjustment	9	162,500	-	162,500	100,000
As Restated		<u>1,662,802</u>	<u>-</u>	<u>1,662,802</u>	<u>973,238</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>1,028,149</u></u>	<u><u>-</u></u>	<u><u>1,028,149</u></u>	<u><u>1,662,802</u></u>

The notes form part of these financial statements

Aldridha Foundation

Balance Sheet
At 31 May 2016

		Unrestricted fund	Restricted funds	31/5/16 Total funds	31/5/15 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10	2,159,426	-	2,159,426	2,171,425
CURRENT ASSETS					
Debtors	11	151,178	-	151,178	185,652
Cash at bank and in hand		80,963	-	80,963	4,480
		<u>232,141</u>	<u>-</u>	<u>232,141</u>	<u>190,132</u>
CREDITORS					
Amounts falling due within one year	12	(326,255)	-	(326,255)	(190,798)
NET CURRENT ASSETS/(LIABILITIES)		<u>(94,114)</u>	<u>-</u>	<u>(94,114)</u>	<u>(666)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,065,312	-	2,065,312	2,170,759
CREDITORS					
Amounts falling due after more than one year	13	(1,037,163)	-	(1,037,163)	(507,957)
NET ASSETS		<u>1,028,149</u>	<u>-</u>	<u>1,028,149</u>	<u>1,662,802</u>
FUNDS	15				
Unrestricted funds				1,028,149	1,662,802
Restricted funds				-	-
TOTAL FUNDS				<u>1,028,149</u>	<u>1,662,802</u>

The notes form part of these financial statements

Alridha Foundation

Balance Sheet - continued

At 31 May 2016

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2016.

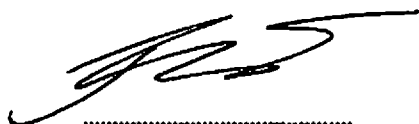
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 May 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 04/08/17 and were signed on its behalf by:



.....
F Mehdi -Trustee

Aldridha Foundation

Notes to the Financial Statements for the Year Ended 31 May 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015)EFA, the and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Changes in accounting policies

During the year, the charity changed its accounting policy with respect to the measurement of its freehold properties. The charity now applies the revaluation model of measuring freehold property, under which freehold property is initially recognised at cost and subsequently carried at revalued amount less accumulated depreciation and impairment losses. Prior to this change in policy, the charity applied the cost model of recognising and measuring freehold property, in that such assets were recognised at cost less accumulated depreciation. The charity believes that the new policy is preferable as it provides more relevant valuations of the property which is in line with the open market and reflect a true and fair view of the overall financial position of the charity.

The impact of this voluntary change in accounting policy on the financial statements is an increase in valuation of the freehold properties in 2015 to £2,100,000 and in 2016 remained the same valuation. The resultant unrealised gains in valuation in both years credited to the revaluation reserve within the general fund.

Comparatives have been restated accordingly.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

Tangible fixed assets

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

Freehold property	- 2% on cost of building
Short leasehold	- Straight line over 13 years
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Freehold property is initially recognised at cost. Freehold land is subsequently carried at revalued amount less accumulated impairment losses. Buildings are subsequently carried at revalued amounts less accumulated depreciation and accumulated impairment losses.

All other tangible fixed assets are recognised at cost less accumulated depreciation.

Aldridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

1. ACCOUNTING POLICIES - continued

Taxation

All the activities of the charity are charitable and exempt from corporation tax.

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.

2. DONATIONS AND LEGACIES

	31/5/16	31/5/15 as restated
	£	£
Donations	236,170	396,500
Gift aid	-	120,878
	<u>236,170</u>	<u>517,378</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31/5/16	31/5/15 as restated
	£	£
School fees	431,430	353,139
Activity	School	

4. RAISING FUNDS

Raising donations and legacies

	31/5/16	31/5/15 as restated
	£	£
Events and programmes	10,148	10,392
Support costs	95,895	158,883
	<u>106,043</u>	<u>169,275</u>

5. NET INCOME/(EXPENDITURE)

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

	31/5/16	31/5/15 as restated
	£	£
Depreciation - owned assets	42,409	28,840
Independent examination fees	7,200	7,200
	<u>49,609</u>	<u>36,040</u>

Aldridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

6. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration was paid to any trustees in the year.

Trustees' expenses

During the year, out of pocket expenses paid to a trustee, Jawad Baraka, amounted to £994.

7. STAFF COSTS

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

	31/5/16	31/5/15
Foundation	4	6
School	17	19
	<u>21</u>	<u>25</u>

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	517,378	-	517,378
Charitable activities			
School	353,139	-	353,139
Total	<u>870,517</u>	<u>-</u>	<u>870,517</u>
EXPENDITURE ON			
Raising funds	159,875	9,400	169,275
Charitable activities			
School	514,752	-	514,752
Donations	569,402	-	569,402
Total	<u>1,244,029</u>	<u>9,400</u>	<u>1,253,429</u>
NET INCOME/(EXPENDITURE)	<u>(373,512)</u>	<u>(9,400)</u>	<u>(382,912)</u>
Other recognised gains/(losses)			
Gains/(losses) on revaluation of fixed assets	1,072,476	-	1,072,476
Net movement in funds	<u>698,964</u>	<u>(9,400)</u>	<u>689,564</u>

Aldridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund	Restricted funds	Total funds as restated £
	£	£	
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	863,838	9,400	873,238
Prior year adjustment	100,000	-	100,000
As Restated	<u>963,838</u>	<u>9,400</u>	<u>973,238</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,662,802</u></u>	<u><u>-</u></u>	<u><u>1,662,802</u></u>

9. PRIOR YEAR ADJUSTMENT

In 2012/13 the charity entered into a 10 year rental lease agreement for the property at 247 Willesden High Road and paid £125,000 in advance for the full 10 years at £12,500 per year. In the financial statements of May 2013 this was mistakenly treated as a prepayment for only 2 years instead of 10 years. This error resulted in overstatement of the rent expenses by £87,500 in prior years.

In addition, in May 2015 accounts, based on a second new lease, rent expenses of £75,000 was accrued. Apparently, this new lease had been revoked and never took effect, hence it was incorrect to accrue the rent. This resulted in a further overstatement of £75,000 in the rent expense in prior year accounts.

The above two errors in prior years have resulted in a prior year adjustment increasing the reserves of the charity by £162,500 as shown in note 15.

The comparatives have been restated accordingly.

10. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST OR VALUATION					
At 1 June 2015	2,151,952	58,154	52,949	2,381	2,265,436
Additions	13,211	-	4,428	-	17,639
Revaluations	12,771	-	-	-	12,771
At 31 May 2016	<u>2,177,934</u>	<u>58,154</u>	<u>57,377</u>	<u>2,381</u>	<u>2,295,846</u>
DEPRECIATION					
At 1 June 2015	51,952	4,473	36,634	952	94,011
Charge for year	25,982	4,474	11,476	477	42,409
At 31 May 2016	<u>77,934</u>	<u>8,947</u>	<u>48,110</u>	<u>1,429</u>	<u>136,420</u>
NET BOOK VALUE					
At 31 May 2016	<u><u>2,100,000</u></u>	<u><u>49,207</u></u>	<u><u>9,267</u></u>	<u><u>952</u></u>	<u><u>2,159,426</u></u>
At 31 May 2015	<u><u>2,100,000</u></u>	<u><u>53,681</u></u>	<u><u>16,315</u></u>	<u><u>1,429</u></u>	<u><u>2,171,425</u></u>

Aldridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/16	31/5/15 as restated
	£	£
Trade debtors	37,223	44,799
Other debtors - CISS	5,411	31,213
Staff loans	17,471	17,471
Other prepayments	16,073	4,669
Rent prepayment	75,000	87,500
	<u>151,178</u>	<u>185,652</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/5/16	31/5/15 as restated
	£	£
Bank loans and overdrafts	59,252	44,086
Other loans	63,667	19,167
Trade creditors	104,231	63,680
Social security and other taxes	16,549	47,188
Wages control	62,156	3,938
Credit cards - HSBC	-	3,539
Accruals	14,400	7,200
School Fees Deposits	6,000	2,000
	<u>326,255</u>	<u>190,798</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/5/16	31/5/15 as restated
	£	£
Bank loans more 5 yr by instal	607,712	507,957
HMRC repayable - 2-5 years	429,451	-
	<u>1,037,163</u>	<u>507,957</u>

Amounts falling due in more than five years:

Repayable by instalments:		
Bank loans more 5 yr by instal	607,712	507,957

Aldridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

14. SECURED DEBTS

The following secured debts are included within creditors:

	31/5/16	31/5/15 as restated
	£	£
Bank loans	640,472	540,717
	<u>640,472</u>	<u>540,717</u>

The following charges by HSBC bank in respect of the Charity's property.

1) The Charity with full title guarantee charges by way of a legal mortgage the property known as 80 Gayton Road, HA1 2LS and the property known as 82 Gayton Road HA1 2LS, including all buildings now or to be erected thereon and discharge to the Bank on the demand by the Bank of all the Liabilities.

2) The Charity with full title guarantee further charges to the bank by way of a first fixed charge a security for repayment of liabilities or rents now owing or hereafter to become owing to it in respect of the property.

3) The Charity with full title guarantee charges with the payment and discharge in favour of the Bank all of the Liabilities by way of floating charge all the assets both present and future situated on, in or at the property, including the benefit of all contracts for the time being and all its undertakings referable to the property but excluding the property or assets or rights otherwise subject to fixed charge or security in favour of the Bank.

4) The Bank may at any time, by notice to the Charity, convert the floating charge applying to any assets specified in the notice which the Bank shall consider to be in danger of being seized or sold under any form of distress or execution levied or threatened or to be otherwise in jeopardy into a fixed charge and may appoint a receiver thereon.

15. MOVEMENT IN FUNDS

	At 1/6/15 £	Prior year adjustment £	Net movement in funds £	At 31/5/16 £
Unrestricted funds				
General fund	1,500,302	162,500	(634,653)	1,028,149
	<u>1,500,302</u>	<u>162,500</u>	<u>(634,653)</u>	<u>1,028,149</u>
TOTAL FUNDS	<u>1,500,302</u>	<u>162,500</u>	<u>(634,653)</u>	<u>1,028,149</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	667,600	(1,302,155)	(98)	(634,653)
	<u>667,600</u>	<u>(1,302,155)</u>	<u>(98)</u>	<u>(634,653)</u>
TOTAL FUNDS	<u>667,600</u>	<u>(1,302,155)</u>	<u>(98)</u>	<u>(634,653)</u>

During the year, no restricted funds were received.

Alridha Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2016

16. RELATED PARTY DISCLOSURES

Orphanz Care - A UK registered charity with common trustees.

During the year, donation payments to Orphanz Care amounted to £31,500. In addition, donations received from Orphanz Care amounted to £94,070 during the year.

CIS and Academic Studies Ltd - not for profit organisation with common trustees/directors:

At the balance sheet date, amount receivable from CIS and Academic Studies Ltd amounted to £5,411 (2015: £31,213).

In addition, at the balance sheet date, a loan payable to Fadhil Mehdi (Trustee) of amount £1,000.

17. POST BALANCE SHEET EVENTS

In December 2016, the board of trustees carried out internal investigations in respect of their financial information and discovered discrepancies in the gift aid claimed from HMRC. As part of the investigation, a full review of the Charity's accounts and Gift Aid records since inception for any possible inaccuracies had been undertaken. The investigation revealed that anticipated and estimated donations were treated as sums actually received and had erroneously included these amounts in the Gift Aid claims submitted to HMRC. This issue was identified, and a total of £429,451 had been erroneously claimed in previous years up to and including the current year. The over stated claims have been disclosed to HMRC and a response is yet to be received. This amount has been adjusted for in the current financial statements. The Board has put in place new internal and external measures and controls to avoid any such issue occurring again.

18. COMPARATIVES

Comparatives in the Statement Of Financial Activities have been reclassified for consistency with current year and in accordance with SORP FRSE (effective 1st January 2015).

19. GOING CONCERN

The accounts have been prepared on the assumption that the charity is able to continue as a going concern which the trustees consider appropriate having regard to the circumstances outlined below:

At the balance sheet date the charity's current liabilities exceeded its current assets. However the trustees believe that the current and future sources of funding are adequate for the charity to continue to be in existence for the foreseeable future. The trustees have the following plans to improve the financial position of the charity:

The trustees shall be renting out one property whilst retaining the other for school operations which is expected to result in additional cashflows for paying off any short/long terms liabilities.

The trustees shall be refinancing the properties at 80 and 82 Gayton Road, Harrow, HA1 2LS. As they have both recently been valued at £2.1m and the current mortgage on the properties is only around £640K.

Aldridha Foundation

Detailed Statement of Financial Activities
for the Year Ended 31 May 2016

	31/5/16	31/5/15
	£	as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	236,170	396,500
Gift aid	-	120,878
	<hr/>	<hr/>
	236,170	517,378
Charitable activities		
School fees	431,430	353,139
	<hr/>	<hr/>
Total incoming resources	667,600	870,517
 EXPENDITURE		
Raising donations and legacies		
Events and programmes	10,148	10,392
Charitable activities		
Insurance	11,397	15,016
Light and heat	12,540	9,985
Telephone	1,512	1,754
Advertising	4,227	10,421
Bad debts	-	2,780
Events and programmes	7,668	62
Consultancy fees	21,817	24,448
Depreciation Freehold Prop	13,112	13,301
Salaries	271,775	266,122
Printing, postage & Stationery	11,314	10,965
Rent and Rates	31,085	40,158
Repairs	21,234	22,765
Subscription	3,566	1,965
Staff training & recruitment	11,100	11,285
Security & alarm	2,543	2,027
Computer & IT costs	8,098	10,504
Legal & professional	-	837
Books and teaching materials	38,181	19,952
Health & safety	5,584	3,293
Cleaning and waste disposal	3,924	4,342
Credit/debit card charges	2,033	698
Bank loan interest	27,993	30,888
Sundry expenses	147	118
Depreciation - F&F	11,475	10,590
Depreciation - computer	476	476
Donations to institutions	302,090	569,402
	<hr/>	<hr/>
	824,891	1,084,154

This page does not form part of the statutory financial statements

Abridha Foundation

Detailed Statement of Financial Activities
for the Year Ended 31 May 2016

	31/5/16	31/5/15 as restated
	£	£
Other		
Gift aid prior year errors	371,221	-
Support costs		
Management		
Wages	32,384	104,982
Rent and Rates	13,654	13,243
Insurance	3,235	3,298
Light and heat	3,378	2,054
Telephone	1,131	2,530
Postage and stationery	3,447	3,638
Travelling	(605)	954
Sundries	4,609	497
Repairs and maintenance	7,695	6,934
Security cost	-	346
Subscription	554	645
Penalties & Fines	1,525	-
Legal & Professional	300	600
Accountancy Fees	3,963	3,293
Consultancy Fees	3,112	-
Independent examination fee	7,200	7,200
Short leasehold	4,473	4,473
	<hr/>	<hr/>
	90,055	154,687
Finance		
Bank interest	3,408	620
Bank charges	2,432	3,576
	<hr/>	<hr/>
	5,840	4,196
Total resources expended	<hr/>	<hr/>
	1,302,155	1,253,429
Net expenditure	<hr/> <hr/>	<hr/> <hr/>
	(634,555)	(382,912)

This page does not form part of the statutory financial statements