

Registered Charity number: 1126570

COVENTRY EDUCATION AND WELFARE TRUST

REPORT AND ACCOUNTS

31st August 2018

COVENTRY EDUCATION AND WELFARE TRUST

FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2018

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COVENTRY EDUCATION AND WELFARE TRUST

TRUSTEES ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2018

TRUSTEES:

Mr Naim Ashique
Mr Suleman Bhayat

HEADTEACHER:

Mariam Ashique

ADDRESS:

643 Foleshill Road
Coventry
CV6 5JQ

BANKERS:

Barclays Bank plc
HSBC Bank plc

COVENTRY EDUCATION AND WELFARE TRUST

TRUSTEES ANNUAL REPORT **FOR THE YEAR ENDED 31ST AUGUST 2018**

The trustees present their 2018 annual report and account.

1. CONSTITUTION

Coventry Education and Welfare Trust (CEWT) is constituted under a trust deed dated 7 September 2008.

The trust was registered as a charity on 5 November 2008 and its registration number is 1126570.

The Trustees have legal responsibility for the operation of the Trust, and a management committee which includes one trustee is responsible for the day to day affairs of the charity.

2. OBJECTS

The objects of the charity as set out in the constitution is as set out below:

- 1) To advance education generally through the management of Lote Tree Primary
The establishment maintaining and management of buildings in order to fulfill the objectives set out in this clause.
- 2) To promote for the benefit of the inhabitants of Coventry and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.
- 3) Any charitable purposes for general benefit of the people living in the United Kingdom and in particular people living in and around Coventry, as the trustees shall from time to time determine.

3. ACTIVITIES AND FUTURE PLANS

The trustees review our objectives and activities to ensure they continue to reflect our objects. The trustees in the current year have considered the Charity Commission's general guidance on public benefit and are satisfied the charity continues to provide public benefit. The activities undertaken to achieve our objectives and provide public benefit are detailed as follows.

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TRUSTEES ANNUAL REPORT **FOR THE YEAR ENDED 31ST AUGUST 2018**

3. ACTIVITIES (Cont)

Coventry Muslim School (CMS) was established in 1991 for pupils aged 4-16 (Mixed Primary and Girl's Secondary), after recognizing a growing demand for Muslim children to be offered secular education whilst upholding their Islamic morals and values. From the start of academic year the school changed its name to Lote Tree Primary (LTP).

LTP operates predominantly by collecting school fees from student, donations from individuals and fundraising events.

Our aim is to instil in our children a strong sense of Islamic identity which they can be proud of, whilst providing them with the highest standards of education. We hope to (Insha-Allah) produce responsible and productive, model Muslim citizens who will confidently engage within society and meet the challenges of the future, whilst presenting a positive image of their Islamic personality.

The management committee set up a charitable trust called Coventry Education and Welfare Trust under a trust deed dated 7 September 2008.

The Trust was registered as a charity on 5th November 2008 with charity number 1126570.

The secondary school stopped operating at the end of school year 31st August 2015.

From January 2010, the school made provision for early years, mainly 3-5 years. Under the government initiative every child between the age of 3-5 is entitled to 15 hours free nursery education.

From September 2017, the school made provisions for two year olds.

4. FINANCIAL REVIEW

The principal income sources were student fees, nursery grant, public donations and fundraising.

The net profit for the year amounted to £1,924 and net liability at 31 August 2018 was £28,404.

5. RISK MANAGEMENT

The Trust is responsible for the overseeing of the risks faced by the charity. Detailed considerations of risk are delegated to the trustees of the charity. Risks are identified, assessed and controls established throughout the year.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed but is reasonable in relation to the current size of the charity.

Appropriate Criminal Records Bureau (CRB) checks, supported by regular reviews are made of all staff and volunteers who work with children. Also the trustees keep under the review the finances of the charity.

COVENTRY EDUCATION AND WELFARE TRUST

TRUSTEES ANNUAL REPORT **FOR THE YEAR ENDED 31ST AUGUST 2018**

5. STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law require the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for the period. In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records and disclose with reasonable accuracy at any time financial position of the charity and to enable then to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 3 January 2020 and signed on their behalf:

..... (Trustee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COVENTRY EDUCATION AND WELFARE TRUST

I report on the accounts of the Charity on pages 6 to 9 for the year ended 31 August 2018 which have been prepared in accordance with the Charities Act 2011 and with the Financial Reporting Standard (FRS102), adapted to meet the needs of unincorporated organisations, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, (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 are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under s144 (2) of the Charities Act 2011 and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- a) examine the accounts under section 145 of the 2011 Act;
- b) 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;
- c) to state whether particular matters have come to my attention.

Basis of independent examiner's report.

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 statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act, and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

MR SALEH CHOWDHURY (FCCA)

3 January 2020

COVENTRY EDUCATION AND WELFARE TRUST

Statement of Financial Activities for the Year to 31st August 2018

	Note	Unrestricted funds £	Restricted income funds £	2018 £	2017 £
Incoming resources					
Income resources from charitable activities	2	174,726	-	174,726	135,220
Income resources from generating funds	3	10,784	-	10,784	11,885
		<u>185,510</u>	<u>-</u>	<u>185,510</u>	<u>147,105</u>
Resources expended					
Charitable activities	4	182,788	-	182,788	140,785
Governance Costs	5	798	-	798	813
		<u>183,586</u>	<u>-</u>	<u>183,586</u>	<u>141,598</u>
Net incoming/(outgoing) resources before transfers		1,924	-	1,924	5,507
Total funds brought forward		(30,328)	-	(30,328)	(35,835)
Total funds carried forward		<u>(28,404)</u>	<u>-</u>	<u>(28,404)</u>	<u>(30,328)</u>

COVENTRY EDUCATION AND WELFARE TRUST

Balance Sheet As At 31st August 2018

	Note	<u>2018</u> £	<u>2017</u> £
<u>Current Assets</u>			
Barclays Bank	40	40	
HSBC Bank	5,857	3,151	
Fee Debtors & Cash balance	15,076	13,452	
	<u>20,973</u>	<u>16,643</u>	
<u>Current Liabilities</u>			
Creditors & Nursery Fees	16,408	13,319	
Taxation and Social Security	563	540	
Wages	2,106	2,813	
Loan	30,300	30,300	
	<u>49,377</u>	<u>46,972</u>	
		(28,404)	(30,329)
<u>Net Assets/(liabilities)</u>		<u>(28,404)</u>	<u>(30,328)</u>
<u>Represented By:</u>			
Unrestricted Income Funds	7	(28,404)	(30,328)
		<u>(28,404)</u>	<u>(30,328)</u>

COVENTRY EDUCATION AND WELFARE TRUST

Notes to the Accounts for the Year to 31st August 2018

1. Accounting Policies

The financial statements are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Charities Act 2011. Exemption has been taken from preparing a cash flow statement under 'Section 7 Statement of Cash Flows' as permitted by FRS 102 on the grounds that the charity qualifies as a small entity.

(a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Other income is accounted for on an accrual basis as far as it is prudent to do so. The value of services provided by volunteers has not been included.

(b) Students fees are included in the Statement of Financial Activities (SOFA) on accrual basis.

(c) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered. Since there are no restricted incoming resources the charity trustees are free to spend the funds as they deem fit in the furtherance of the charity's objectives.

(d) As a registered charity the charity is generally exempt from Income and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

(e) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(f) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(g) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

COVENTRY EDUCATION AND WELFARE TRUST

Notes to the Accounts for the Year to 31st August 2018

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted income funds	2018	2017
Student Fees	89,867	-	89,867	87,006
Early Years Grant & Nursery Fees	84,859	-	84,859	45,214
Apprenticeship Grant	0	-	0	3,000
	<u>174,726</u>	<u>-</u>	<u>174,726</u>	<u>135,220</u>

The charity receives grant from Coventry Council due to the childcare provision provided from the age 3-5. Under the government initiative every child between the age of 3-5 is entitled to 15 hour free nursery education.

3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds	Restricted income funds	2018	2017
Donations	2,627	-	2,627	4,836
Fundraising events	8,157	-	8,157	7,049
	<u>10,784</u>	<u>-</u>	<u>10,784</u>	<u>11,885</u>

4 COSTS OF CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted income funds	2018	2017
Salaries and Wages	153,728	-	153,728	122,185
Postage, Stationery, Printing and Resources	10,829	-	10,829	8,417
Computer Software and equipment	3,245	-	3,245	1,644
Training costs	1,648	-	1,648	1,020
Telephone & Internet	1,047	-	1,047	673
Books	2,651	-	2,651	2,253
Insurance	2,197	-	2,197	1,246
Cleaning & Repairs	1,017	-	1,017	289
School Inspection	768	-	768	1,000
PE Hall Hire & Other school activities	2,987	-	2,987	1,321
Uniform	2,672	-	2,672	0
Bad debt	0	-	0	722
Bank Charges	0	-	0	15
	<u>182,788</u>	<u>-</u>	<u>182,788</u>	<u>140,785</u>

COVENTRY EDUCATION AND WELFARE TRUST

Notes to the Accounts for the Year to 31st August 2018

5 GOVERNANCE COSTS

	Unrestricted funds	Restricted income funds	2018	2017
Subscription & CRB	798	-	798	813
	<u>798</u>	<u>-</u>	<u>798</u>	<u>813</u>

7 UNRESTRICTED INCOME FUNDS:

	Balance at 1 September 2017	Incoming Resources	Outgoing Resources	Balance at 31 August 2018
General funds	<u>(30,328)</u>	<u>185,510</u>	<u>(183,586)</u>	<u>(28,404)</u>