

Charity registration number 1056468 (England and Wales)

IRSHAD TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

IRSHAD TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A H Rafsanjani Mr A Rashid Dr A Hadawi Mr S B Rizvi
Charity number	1056468
Principal address	133 High Road Willesden London England NW10 2SW
Auditor	TC Group First Floor Spitalfields House Stirling Way Borehamwood WD6 2FX
Accountants	Sabat Accountants Ltd T/A Seymour King Suite G1, Hartsbourne House Delta Gain Carpenders Park, Watford WD19 5EF
Bankers	Al Rayan Bank PO Box 12461 Birmingham B16 6AQ

IRSHAD TRUST

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 24

IRSHAD TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The Trustees confirm that the report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2019) 'Accounting and Reporting by Charities' Second Edition applicable for accounting periods commencing on and after 1 January 2020.

Reference and Administrative Details

Irshad Trust is a charitable trust registered in England and Wales with registration number 1056468. The principal address is 133 High Road, London, NW10 2SW.

The names of the Trustees in the period are:

Dr A H Rafsanjani
Mr A Rashid
Dr A Hadawi
Mr S B Rizvi

Objects and activities

The charity's objective and its principal activity is to introduce and promote education in an Islamic environment in the United Kingdom. The charity also aims to further its objectives by giving financial assistance to institutions involved in Islamic research and other similar educational activities.

In addition, the charity aims to provide appropriate assistance to other Educational institutions with aims and objectives similar to those of Irshad Trust. Donations are raised through contacts the Trustees have with potential donors and the public.

Additional trustees may be appointed at the discretion of the trustees in accordance with the trust deed. At any one time there must be a minimum of three trustees and a maximum of seven trustees. The charity is administered in accordance with the powers invested in the trustees, as documented in the trust deed. There are no specific restrictions with regard to the way in which the charity may operate provided that the objects of the charity as documented are met. The charity has no specific investment powers. Its general investment powers are as documented in the trust deed. The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Statement of compliance with Charity Commission guidance

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake and monitor the use of financial assistance provided to institutions and individuals.

The Islamic College established by the Charity offers various full time and part time courses to its students in partnership with Middlesex University. Some of the courses offered to students are outlined below:

- CERT HE Quranic Arabic
- BA Islamic Studies
- BA Hawza Studies
- MA Islamic Studies
- MA Islamic Law
- Postgraduate Studies Certificate in Exegesis & Quranic Sciences
- Postgraduate Studies Certificate in Philosophy

A full list of courses offered by the college is available at <https://www.islamic-college.ac.uk/study/>.

IRSHAD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Public benefit

The trustees have had due regard to the Charity Commission guidance on public benefit and confirm that the Charity's objectives benefit the public in a number of ways e.g the provision of scholarships and discounted courses to students, regular public worship and sacred space for private prayer and/or contemplation. The Charity also provides activities for all ages including conferences, Iftaar Dinner in Holy Ramadhan, monthly lectures, workshops, Taster courses etc. which are held throughout the year.

Grant making policy

Scholarships are awarded to high-quality students, at either undergraduate or post-graduate level undertaking courses at The Islamic College with the aim of encouraging more students to the Islamic educational programmes.

Achievements and performance

During the academic year 2024-25, a total of 203 students were enrolled on the above mentioned courses. In addition, short courses were also run with a total of 152 students enrolled. The education team at The Islamic College continuously seeks to improve its learning resources by expansion of its library facilities and continued investment in its IT infrastructure. These assist the College in delivering the programmes effectively and efficiently, thus enabling the Charity to achieve its objectives. The improvement in delivering courses is evident by the rise in pass rates and outstanding achievers over the years.

Throughout the academic year, the College has maintained ongoing engagement with the Office for Students (OfS) to ensure full compliance with registration requirements. This has included regular dialogue regarding the conclusion of the validation agreement with Middlesex University on 31 December 2023. Alongside this, the College is actively progressing plans to establish a future partnership with an alternative institution for programme validation.

The College has also fulfilled its statutory obligations under the Prevent duty through the completion of the annual monitoring process, with all required documentation submitted within the prescribed timescales. In support of its continued commitment to regulatory compliance and institutional development, the College has submitted an application to the OfS seeking approval to become an independent awarding body.

Financial review

The total funds received during the year were £1,054,814 (2024: £1,060,675) and represent a decrease of 0.55% on the 2024 income. The total funds expended were £1,032,778 (2024: £1,035,905) which mainly is in line with previous years' overall costs of running the college.

During the year under review, the unrestricted funds of the Charity had a surplus of £22,036 (2024: £24,770). The total funds held by the Charity at the balance sheet date stand at £13,830,903 (2024: £13,808,867).

The trustee's are satisfied with the financial position of the charity as at the year end.

Reserves policy

The nature of the Charity's activities means that it will exist for the foreseeable future and therefore reserves are carried forward at the end of each financial year. It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level which equates approximately to three months of its unrestricted charitable expenditure, which amounts to £259k. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, the Charity will be able to continue its current activities while consideration is given to the ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

IRSHAD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Going Concern

The trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The trustees regard the foreseeable future as no less than twelve months following the publication of the Charity's annual financial statements. The trustees have considered the Charity's balance sheet position and reserves as at the year end, the future plans for the Charity taking account of reasonably possible changes in the income of the Charity and are satisfied that the Charity has sufficient resources to remain in operational existence. Accordingly, they have adopted the going concern basis in preparing these financial statements.

Future Developments

The future plans of the Charity are to increase the number of students enrolled on their courses through investment in their IT infrastructures enabling them improve the means of delivering education.

The Charity will continue with its core activities of introducing and promoting education in an Islamic environment. The main objectives for the next financial year include:

- reaching out to wider community to promote education in Islamic environment by establishing colleges;
- providing financial assistance to institutions involved in Islamic research and other Islamic educational activities;
- expanding the number of potential donors within the trustees' contacts;
- diversifying the sources of funding coming into the Charity.

The Charity also aims to provide additional training and development for staff and volunteers.

The Charity, by and large, met its objectives set last year by:

- introducing and promoting education in Islamic environment.
- giving financial assistance to institutions involved in Islamic research and scholarships to individuals.
- raising donations through Trustees' contacts.

Structure, governance and management

Constitution and Governance Code

The charity was established by a charitable trust deed on 1st July 1996 and the Constitution lays out key areas of governance together with recommended practices. The Trustees have always sought to have the highest standards of governance and are satisfied with the current governance structure addressing these areas.

Trustees may be appointed at the discretion of the existing trustees in accordance with the trust deed. At any one time there must be a minimum of three trustees and a maximum of seven trustees.

The Charity is administered in accordance with the powers invested in the trustees, as documented in the trust deed. There are no specific restrictions with regard to the way in which the Charity may operate provided that the objects of the Charity as documented are met. The Charity has no specific investment powers. Its general investment powers are as documented in the trust deed. The trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to major risks.

Dr Isa Jahangir, has maintained his role as the Principal of The Islamic College and has been undertaking the day to day business of the educational activities of The Islamic College.

The trustees of the Charity collectively manage the affairs of the Charity in line with the governing document and the decisions are made in regular meetings held by the trustees throughout the year.

Training is provided to all trustees as required. This is either obtained by the trustees in their professional capacity and/or attending seminars and reading Charity Commission's publications.

IRSHAD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Remuneration policy

The Trustees consider the board of trustees and the senior management team comprise the key personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. Details of trustees' and key management personnel remuneration and expenses are disclosed in note 8 to the accounts. The remunerations of the senior staff are normally reviewed annually.

Statement of Internal Control

Responsibility

The Board of Trustees is responsible for maintaining a sound system of internal control that supports the achievement of the Trust's aims and objectives, while safeguarding its assets and ensuring the proper use of funds. The system is designed to manage, rather than eliminate, risk and can therefore only provide reasonable, not absolute, assurance of effectiveness.

Internal Control Framework

The internal control framework of the Trust is based on the following key principles:

- **Governance Structure** – Clear roles and responsibilities are defined through Standing Orders, Terms of Reference, and a Scheme of Delegation, ensuring effective oversight and accountability.
- **Risk Management** – A formal risk management process is in place. The Board regularly reviews a risk register to identify, assess, and manage key risks to the Trust's operations and objectives. In particular the Trust will detect and prevent corruption, fraud, bribery and other irregularities.
- **Financial Department** – Finance department review internal controls, financial performance, and risk management arrangements, robust budgeting, monitoring, and reporting processes ensure the regularity, propriety, and value-for-money of Trust expenditure.

Independent audit and financial oversight provide additional assurance.

- **Compliance and Assurance** – The Trust ensures compliance with legal, statutory, and regulatory requirements, including safeguarding, data protection, and charity law obligations.

Review of Effectiveness

The Board of Trustees has responsibility for reviewing the effectiveness of the system of internal and external control. This review is informed by:

- Reports from heads of different departments within the Trust.
- Work of internal and external auditors, who provide assurance on financial controls and risk management.

Internal Audit (internal control) provides independent assurance on the effectiveness of internal control systems, risk management processes, and governance arrangements. Their findings and recommendations are reported to the Academic and Administrative Boards.

External Audit (external control) provides independent opinion on the Trust's financial statements and regularity, review controls related to financial reporting, and report directly to the Board of Trustees.

- Reports from Academic and Administrative Boards.
- Annual self-assessment of governance effectiveness and independent governance reviews.

Where weaknesses are identified, corrective action is taken promptly, and the Board monitors implementation to ensure improvements are delivered.

IRSHAD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Assurance

The Board of Trustees confirms that the Trust has an effective framework of internal control, financial management, and risk management. These arrangements provide reasonable assurance of the adequacy and effectiveness of the Trust's governance, operations, and stewardship of resources.

This statement covers both reporting periods and the period up to the date of the approval of the audited financial statement.

The Irshad Trust relying on its passed successful experience makes sure that the following will be mitigated:

- The weakness or failure prevent achievement of a strategic objective or target
- The weakness or failure have a material impact on the financial data reported in the financial statements
- The weakness or failure result in a diversion of resources from another important aspect of the provider's business
- The provider's audit committee advise in its annual report to the governing body that the weakness or failure is significant
- The internal or external auditors regard the weakness or failure as significant

The weakness or failure, or its impact, attract significant public interest, or seriously damage the reputation of the provider and/or the sector

Statement of Corporate Governance

Irshad Trust is committed to the highest standards of corporate governance. The Governing Body recognises its collective responsibility to act in the best interests of students, staff, stakeholders, and the wider community, ensuring that the Trust is managed with integrity, accountability, and transparency.

Governance Framework

- The Governing Body is the main decision-making authority of the Trust.
- It is responsible for setting the strategic direction, safeguarding assets, ensuring financial sustainability, and upholding the Trust's values and mission.
- Its responsibilities are defined through their **rules of procedure** (Standing Orders, Terms of Reference, and a Scheme of Delegation), which set out decision-making powers and responsibilities.
- Governance arrangements are reviewed annually to ensure they remain proportionate, effective, and fit for purpose.

Transparency and Accountability

- The Governing Body ensures openness by producing annual reports, financial statements, and key governance documents and submitting to OfS, Charity Commission and also publish it on our website.
- Meetings are formally minuted and decisions are recorded in line with best practice.
- Governors are required to declare any conflicts of interest, which are maintained in the Trust Deed.
- The Trust's financial statements are independently audited to provide assurance of regularity, propriety, and value for money.

IRSHAD TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Roles and Responsibilities of the Governing Body

The Governing Body is collectively responsible for:

1. **Strategy & Mission** – Approving the Trust's mission, aims & Objectives, values, and long-term strategic plan.
2. **Academic Standards & Quality** – Providing oversight of academic governance through partnership with the Academic Board to protect standards, quality, and student outcomes.
3. **Financial Stewardship** – Approving budgets, monitoring financial performance, and ensuring long-term sustainability.
4. **Risk Management & Internal Control** – Establishing effective systems of risk management and internal control and reviewing their adequacy on a regular basis.
5. **Executive Leadership** – Appointing, supporting, and holding to account the Principal and senior leadership team.
6. **Compliance & Assurance** – Ensuring that the Trust complies with legal, regulatory, and statutory obligations.
7. **Student Interests** – Ensuring students are represented in governance processes, and that decisions reflect and protect their interests.

Effectiveness of Governance Arrangements

- The Governing Body conducts an **annual self-assessment** of its effectiveness.
- Governors undertake training and development to remain informed about sector responsibilities and emerging challenges.
- Different departments of the Trust, including Audit & Risk, Finance, and Academic Quality, provide detailed scrutiny of key areas and report to the Governing Body.

Statement of Assurance

The Governing Body confirms that:

- Governance arrangements are adequate and effective for the size and scope of the Trust.
- The systems of internal control, financial reporting, and risk management provide a sound basis for decision-making.
- The principles of accountability, transparency, and integrity are embedded across all areas of Trust governance.

This statement covers both reporting periods and the period up to the date of the approval of the audited financial statement.

Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Key risks at present are assessed as being associated with decline in student numbers and reduction in donations. Considering that The Islamic College has a robust marketing strategy, a reduction in student enrolments is not anticipated. Additionally, the fund-raising of the Charity is community based which enables it to attract a range of support thereby assisting in its continuity.

The trustees' report was approved by the Board of Trustees and signed on their behalf.

Mr A Rashid

Trustee

Dated: 18 February 2026

IRSHAD TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees are responsible for preparing the Trustees' Report and Annual Accounts in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare Financial Statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law, the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its net incoming/outgoing resources for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards 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 to operate

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

IRSHAD TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF IRSHAD TRUST

Opinion

We have audited the financial statements of Irshad Trust (the 'charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice), together with Charities SORP (FRS 102).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Office for Students' (OfS) terms and conditions of funding for higher education institutions and the OfS' accounts direction

In our opinion, in all material aspects:

- funds from whatever sources administered by the charity for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them; and
- the requirements of the OfS' accounts direction have been met.

IRSHAD TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF IRSHAD TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the Financial Statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. The laws and regulations we considered in this context was the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud. The laws and regulations we considered in this context were employment legislation, health & safety legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

IRSHAD TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF IRSHAD TRUST

We identified the greatest risk of material impact on the Financial Statements from irregularities, including fraud, to be within the recognition of donations income, the assessment of capital vs revenue expenditure, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, analytical procedures and sample testing of income, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group
Statutory Auditor

18 February 2026

First Floor Spitalfields House
Stirling Way
Borehamwood
WD6 2FX

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

IRSHAD TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Unrestricted funds 2024 £
	Notes		
<u>Income</u>			
Donations	3	92,410	95,006
Charitable activities	4	962,403	965,669
Investments	5	1	-
Total income		<u>1,054,814</u>	<u>1,060,675</u>
<u>Expenditure on:</u>			
Charitable activities	6	<u>1,032,778</u>	<u>1,035,905</u>
Net income for the year/ Net movement in funds		22,036	24,770
Fund balances at 1 September 2024		<u>13,808,867</u>	<u>13,784,097</u>
Fund balances at 31 August 2025		<u><u>13,830,903</u></u>	<u><u>13,808,867</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

IRSHAD TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	12		13,353,512		13,477,981
Current assets					
Debtors	14	519,413		382,182	
Cash at bank and in hand		39,800		69,808	
		559,213		451,990	
Creditors: amounts falling due within one year	15	(81,822)		(121,104)	
Net current assets			477,391		330,886
Total assets less current liabilities			13,830,903		13,808,867
The funds of the charity					
Unrestricted funds	18		13,830,903		13,808,867
			13,830,903		13,808,867

The financial statements were approved by the trustees on 18 February 2026

Mr A Rashid
Managing Trustee

IRSHAD TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(30,009)		139,628
Investing activities					
Purchase of tangible fixed assets		-		(167,500)	
Investment income received		1		-	
Net cash generated from/(used in) investing activities			1		(167,500)
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(30,008)		(27,872)
Cash and cash equivalents at beginning of year			69,808		97,680
Cash and cash equivalents at end of year			39,800		69,808

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Irshad Trust is a charitable trust registered in England and Wales with registration number 1056468. The principal address is 133 High Road, London, NW10 2SW. The principal objects of the charity is to introduce and promote education in an Islamic environment as governed by the charity's trust deed.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's constitution, the Charities Act 2011 and the Charities SORP 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) (second edition-October 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

Irshad Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Going concern

The trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The trustees regard the foreseeable future as no less than twelve months following the publication of the Charity's annual financial statements. The trustees have considered the Charity's balance sheet position and reserves as at the year end, the future plans for the Charity and taking account of reasonably possible changes in the income of the Charity and are satisfied that the Charity has sufficient resources to remain in operational existence. Accordingly, they have adopted going concern basis in preparing these financial statements.

The principal accounting policies, which have been applied consistently, are set out below:

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objects.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised on receipt.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Grant income is deferred only where the donor has specified that it may only be used for a future period or has imposed conditions that must be met before the charity has unconditional entitlement to the grant.

Tuition fee income is recognised in the year it becomes receivable when a student commences the course, with a provision against any tuition fee not received.

1.5 Expenditure

All expenditure is accounted for on accruals basis.

The costs of generating funds are those costs of seeking potential funders and applying for funding.

The expenditure relating to charitable activities represents all costs incurred by the Trust in meeting its charitable objectives.

Governance costs are incurred in connection with the management and administration of the charity. These include central management and administration costs, organisational costs and costs incurred to ensure compliance with constitutional and statutory requirements.

Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a basis that fairly reflects the true use of those resources within the organisation.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	Over 50 years
Improvements to buildings	Over 50 years
Fixtures and fittings	33% Reducing balance basis
Computers	33% Reducing balance basis
Motor vehicles	25% Straight line basis

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The cost of additions to the library and archives is written off in the year of purchase.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.7 Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Accounting for financial assets and financial liabilities' of Charities SORP 2019 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The Charity is able to take advantage of the exemptions from taxation on income and gains available to charities and accordingly no taxation is payable on the net incoming resources.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Government grants received by the Charity relate to Coronavirus Job Retention (Furlough) Scheme.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

3 Donations

	Unrestricted funds general 2025 £	Unrestricted funds general 2024 £
Donations	92,410	95,006

4 Charitable activities

	Tuition fees 2025 £	Tuition fees 2024 £
Fee income - Taught Awards	483,962	584,846
Fee income - Non-Qualifying Courses	376,486	338,030
Fee income - Books & Journals	90,642	23,748
Fee income - Camp	11,313	19,045
	962,403	965,669

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	1	-

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

6 Charitable activities

	Charitable Expenditure 2025 £	Charitable Expenditure 2024 £
Staff costs	619,573	620,795
Education	49,380	82,797
Publication	9,382	11,467
	<u>678,335</u>	<u>715,059</u>
Support costs (see note 7)	341,565	304,016
Governance costs (see note 7)	12,878	16,830
	<u>1,032,778</u>	<u>1,035,905</u>

7 Support costs allocated to activities

	2025 £	2024 £
Depreciation	124,469	121,695
Stationery, photocopying and postage	4,051	4,011
Computer support	16,785	14,378
Insurance	22,131	21,942
Maintenance and cleaning	26,273	7,066
Telephone	12,978	14,385
Rates	22,648	22,782
Light and heat	74,347	55,447
Subscriptions	35,320	39,879
Staff training and refreshments	1,043	593
Other	1,520	1,838
Governance costs	12,878	16,830
	<u>354,443</u>	<u>320,846</u>
Analysed between:		
Charitable activities	<u>354,443</u>	<u>320,846</u>

Governance costs include payments to auditors of £6,180 (2023: £5,280) for statutory audit fees.

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	6,250	6,180
Depreciation of owned tangible fixed assets	<u>124,469</u>	<u>121,695</u>

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

9 Trustees' and key management personnel remuneration and expenses

Key management include Trustees, Principal and the finance personnel.

None of the Trustees have been paid any remuneration, received any benefits or been paid any expenses by the charity for being trustees, except as under:

During the year, Mr Ayub Rashid received a salary and benefits of £2,308 (2024: £202) for lecturing students.

Also during the year, Dr I Jahangir (the principal) received a salary and benefits of £46,042 (2024: £43,603) for lecturing students.

There were no disclosable transactions undertaken with the trustees during the year ended 31 August 2025 except as stated above.

The aggregate remuneration of key management personnel was £30,979 (2024: £33,086).

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	20	20
Employment costs	2025 £	2024 £
Wages and salaries	565,969	565,794
Social security costs	41,465	42,260
Other pension costs	12,139	12,741
	619,573	620,795

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

10 Employees

(Continued)

There were no employees whose emoluments exceeded £60,000 in this year or in the previous year.

Office for Students staff disclosures

There were no members of staff with a full time equivalent basic salary over £100,000 per annum.

Dr Isa Jahangir, Principal , received the following remuneration during the year :

	2025	2024
	£	£
Basic Salary before any salary sacrifice	46,042	42,333
Employer pension contribution	1,381	1,270
Salary sacrifice arrangements	-	-
Total package	£47,423	£43,603
	=====	=====

The pay ratios that need to be disclosed are as follows:-

(i) The head of the provider's basic salary is 1.5 times the median pay of staff (2024: 1.3), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the provider to its staff.

(ii) The head of the provider's total remuneration is 1.5 times the median total remuneration of staff (2024: 1.3), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration paid by the provider to its staff.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

12 Tangible fixed assets

	Freehold buildings £	Improvements to buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2024	13,615,981	648,922	172,941	255,922	20,100	14,713,866
At 31 August 2025	13,615,981	648,922	172,941	255,922	20,100	14,713,866
Depreciation and impairment						
At 1 September 2024	758,320	32,149	172,354	252,962	20,100	1,235,885
Depreciation charged in the year	110,320	12,978	194	977	-	124,469
At 31 August 2025	868,640	45,127	172,548	253,939	20,100	1,360,354
Carrying amount						
At 31 August 2025	12,747,341	603,795	393	1,983	-	13,353,512
At 31 August 2024	12,857,661	616,773	587	2,960	-	13,477,981

The carrying value of land included in land and buildings comprises:

	2025 £	2024 £
Freehold	810,000	8,100,000

Land and buildings were revalued on 16 April 2018 by Empire Estates, independent valuers not connected with the charity on the basis of market value. The valuation was based on recent market transactions on arm's length terms for similar properties.

At 31 August 2025, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £4,127,666 (2024 - £4,186,436).

13 Heritage assets

The Charity has a library of Islamic books which constitute Heritage Assets. These assets are held at a £Nil value (2024: £Nil).

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Tuition fees receivable	344,492	327,794
Prepayments and accrued income	174,921	54,388
	<u>519,413</u>	<u>382,182</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	11,767	10,033
Trade creditors	27,746	69,556
Other creditors	30,915	31,299
Accruals and deferred income	11,394	10,216
	<u>81,822</u>	<u>121,104</u>

Other creditors include pensions payable of £2,309 (2024: £2,366).

16 Deferred Income included in creditors due within one year

	2022 £	2021 £
As at 1 September	5,438	31,197
Additions during the year	13,897	5,438
Amounts released to income	(5,438)	(31,197)
As at 31 August	<u>13,897</u>	<u>5,438</u>

Deferred income relates to payments on account for future courses.

17 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>12,139</u>	<u>12,741</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

IRSHAD TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	At 31 August 2025
	£	£	£	£
General funds	4,083,192	1,054,814	(1,032,778)	4,105,228
Revaluation reserve	9,725,675	-	-	9,725,675
Previous year:	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
General funds	4,493,778	1,060,675	(1,035,905)	4,518,548
Revaluation reserve	9,290,319	-	-	9,290,319

19 Related party transactions

There were no disclosable related party transactions during the year other than those disclosed in Note 8.

20 Cash (absorbed by)/generated from operations	2025 £	2024 £
Surplus for the year	22,036	24,770
Adjustments for:		
Investment income recognised in statement of financial activities	(1)	-
Depreciation and impairment of tangible fixed assets	124,469	121,695
Movements in working capital:		
(Increase) in debtors	(137,231)	(18,093)
(Decrease)/increase in creditors	(39,282)	11,256
Cash (absorbed by)/generated from operations	(30,009)	139,628

21 Analysis of changes in net funds

The charity had no material debt during the year.