

A group of approximately 15 students, both boys and girls, are posed in front of a large, ornate stone building. The students are dressed in school uniforms, which include dark blazers, white shirts, and striped ties. Some girls are wearing black hijabs. The building behind them has a central entrance with a large glass door and is flanked by two large windows. Above the door is a decorative stone archway with a central crest. The overall scene is brightly lit, suggesting a sunny day.

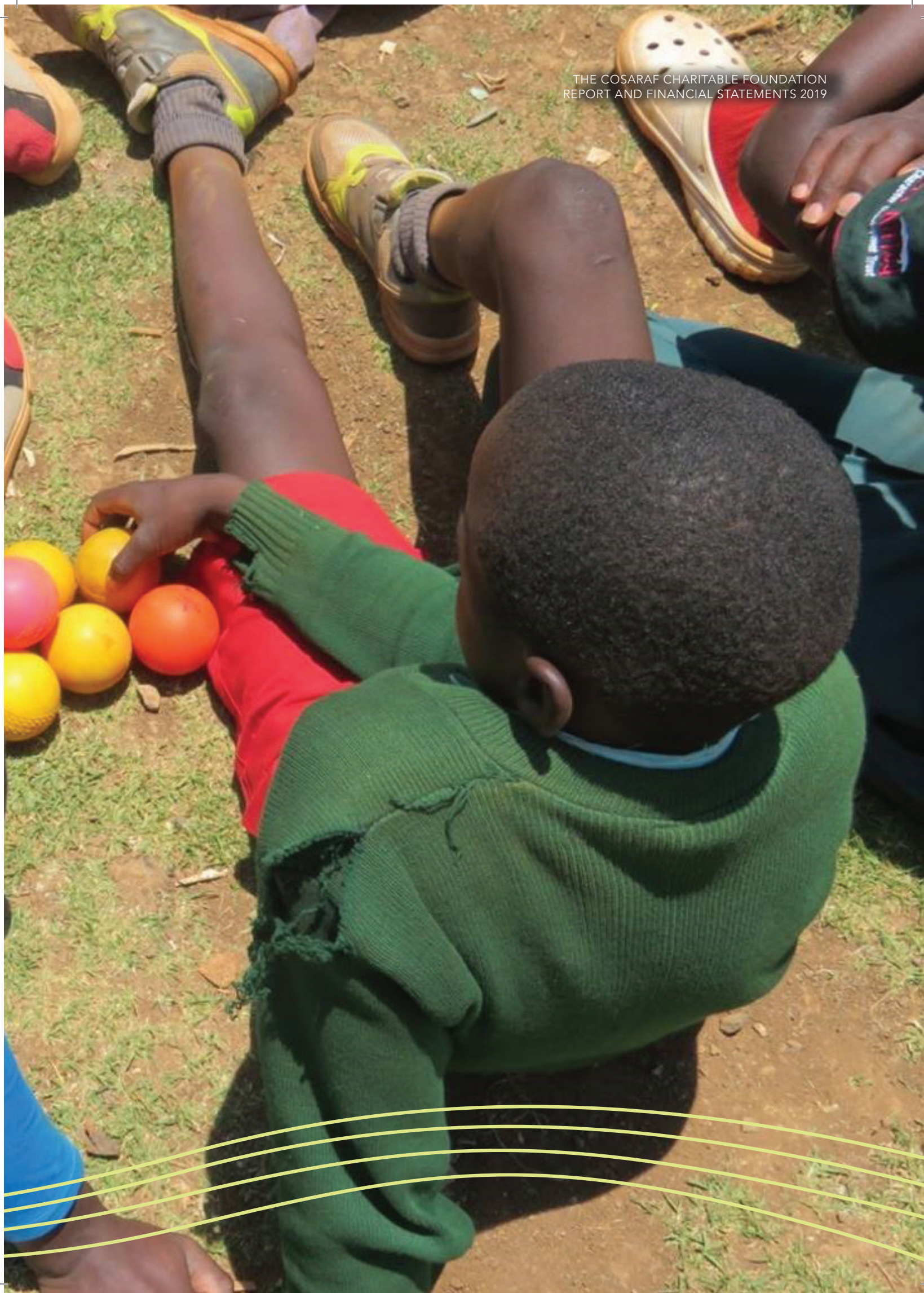
# Annual Report and Financial Statements Year ended 5th April 2019



# Contents

Report of the Trustees .....	7 - 20
Report of the Independent Examiner .....	21
Statement of financial activities .....	22
Balance sheet .....	23
Notes to the financial statements .....	24 - 31







## About us



COSARAF stands for 'Children of Sheikh Abdul Rashid and Fahmida', in honour of the parents of the founders who gave the inspiration to establish this charitable foundation.

Haroon and Farouq Sheikh, the founders of the COSARAF Foundation, are two of the UK's leading entrepreneurs, philanthropists and community figureheads. Their business interests encompass healthcare, private equity, property investment and development. Best known as co-founders of CareTech Holdings PLC, a respected national provider of specialist services to adults and children with learning, physical disabilities or mental health problems. Haroon is the CEO and Farouq the Executive Chairman of CareTech Holdings PLC, overseeing an enviable growth of the company over a quarter of a century. Their most recent business enterprise is as Directors of a burgeoning property and equity investment group, Sheikh Holdings Group (Investments) Limited, which incorporates successful property development and serviced office divisions.

Alongside a formidably strong work ethic, Haroon and Farouq have always placed great store in supporting those less fortunate in society. This commitment led, in 2007, to the establishment of the COSARAF Charitable Foundation to benefit communities and individuals in the UK and abroad.







## Chairman's Statement

Following the major strategic review conducted last year, I am delighted to report a year of significant achievements in the development of the Foundation. During 2018, trustees agreed three over-arching strategic priorities to ensure that the Foundation could deliver significant, long-term and sustainable impact on the issues about which the charity most cares:

- **Promoting strong and cohesive communities**
- **Enabling young people to realise their potential**
- **Empowering women and girls**

As well as focussing the Foundation's support around its new core priorities, I am very pleased that our support is now balanced between causes in the UK and internationally. Across all three areas, the Foundation has made important new investments highlights of which include:

### Promoting Strong Communities

- The Foundation, alongside the CareTech Foundation, has partnered with the **British Asian Trust** to invest in a £1million programme by which to deliver a step change in mental health and wellbeing provision in Pakistan. In just the first year of the programme, some 63,000 individuals have benefitted from the programme.
- The Foundation has supported 50 young people through the **Patchwork Foundation's** ground-breaking programmes to promote democratic engagement of those too often under-represented in our country's decision-making processes.

### Enabling young people to realise their potential

- The Foundation was delighted to launch its new flagship university scholarship programme earlier this year. The **Sheikh Family Scholarship** will provide graduate and undergraduate scholarships to Muslim students from poor backgrounds, and preferably to first-generation university students, at St Anne's College Oxford University, Cambridge University, Warwick University and the Open University at Cambridge Muslim College.

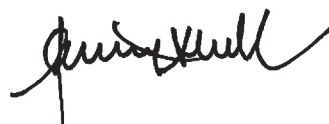
- The Foundation has agreed a significant new three-year partnership with the **East Africa Character Development Trust** for its ground-breaking youth development programme in Kenya which uses cricket as a powerful vehicle by which to develop the character traits essential for long-term success.

### Empowering women and girls

- The Foundation awarded a three-year grant to the **Contact Hostel** in Manchester to support their work in supporting homeless and vulnerable young women in Manchester.
- The Foundation has confirmed a long-term grant to **The Noor Project** in Lahore which provides impoverished communities with the tools to escape poverty and become self-sustainable. A particular focus of the Foundation's grant is to support vocational training for women and the projects orphanage for girls
- We remain as committed as ever to our work with the **Fahmida Begum Foundation** in Karachi, which continues to grow apace, and its strategic partnership with The Noor Project is adding great value to the development of both projects.

In addition to these exciting new developments, the trustees have been particularly pleased with the new Hardship Grant scheme, providing much-needed small grants to individuals facing significant hardship. In this first year of operation, the Foundation was able to provide grants to 40 individuals totalling £125,000; the majority of grants were for less than £2,000.

I am, as ever, grateful to my colleague trustees and to those who advise us for their hard work over the last year. This last year has seen a transformation in our work and the year ahead promises to be yet another exciting one!



Haroon Sheikh



## Reporting Period

This report covers the period from 6th April 2018 to 5th April 2019.

## Charity Details

Registered charity number: 1118481

# Objectives and Activities

## Summary of the purposes of the charity

The following is a summary of the Foundation's purposes as set out in full in its governing document:

### What

- Education / training
- The advancement of health or saving of lives
- Overseas aid / famine relief
- Religious activities

### Who

- Children / young people
- Elderly / old people
- People with disabilities
- The general public / mankind

### How

- Make grants to individuals
- Make grants to organisations

The trustees have determined that the Foundation's work by which to deliver public benefit in relation to its Objects should be focused on the following three key objectives:

### • Promoting strong and cohesive communities

- Supporting projects that promote equality and integration within society.
- Supporting individuals / organisations that encourage religious tolerance and freedom to practice religious beliefs.

### • Enabling young people to realise their potential

- Supporting those that cannot afford an education and encouraging entrepreneurship amongst young people from disadvantaged backgrounds.
- Supporting young people to develop their skills and take advantage of opportunities that would not be available to them otherwise due to their backgrounds.
- Supporting orphans and those growing up without parental support.

The trustees recognise that these objectives will often require the provision of health, education, basic needs and other related provision to those without access to such.

The trustees have further confirmed that the Foundation's support should be devoted to supporting those in need in the UK and in developing countries overseas, particularly Africa (especially East Africa) and South East Asia.

## Main activities undertaken for the public benefit in relation to these Objects

The Foundation delivers its objectives through the making of grants and making of donations to individuals and organisations in line with its charitable Objects.

The Foundation administers both Zakat and non-Zakat funds, in line with the trustees' Grant-Making Policy and Zakat Distribution Policy. Zakat funds are those donations made in line with Islamic obligations for charitable giving.

## Charity Commission guidance on public benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission regarding Public Benefit, a copy of which is provided to all trustees on appointment. Set out below are a range of examples of the achievements of the Foundation over this reporting period in delivering public benefit through its grant-making programmes and more generally.



## Achievements and Performance

### Our history

The COSARAF Foundation was established by the Sheikh family. Haroon and Farouq Sheikh, the founders of the COSARAF Foundation, are two of the UK's leading entrepreneurs, philanthropists and community figureheads. Their business interests encompass healthcare, private equity, property investment and development. Best known as co-founders of CareTech Holdings PLC, a respected national provider of specialist services to adults and children with learning, physical disabilities or mental health problems. Haroon is the CEO and Farouq the Executive Chairman of CareTech Holdings PLC, overseeing an enviable growth of the company over a quarter of a century. Their most recent business enterprise is as Directors of a burgeoning property and equity investment group, Sheikh Holdings Group (Investments) Limited, which incorporates successful property development and serviced office divisions.

Alongside a formidably strong work ethic, Haroon and Farouq have always placed great store in supporting those less fortunate in society. This commitment led, in 2007, to the establishment of the COSARAF Charitable Foundation to benefit communities and individuals in the UK and abroad. COSARAF stands for 'Children of Sheikh Abdul Rashid and Fahmida', in honour of the parents of the founders who gave the inspiration to establish this charitable foundation.

### A Year of Achievements

Following the strategic review undertaken in 2018, the trustees have established an exciting portfolio of projects by which to deliver long-term impact in the three focus areas of the Foundation's work. This portfolio includes programmes with which the Foundation has built long-standing relationships as well as a range of exciting new initiatives.

Key new projects on which the trustees have provided support over this reporting year include:

#### **£300,000 higher education support package to promote social mobility and integration**

The British The Foundation launched a major higher education support programme to provide up to 24 graduate and undergraduate scholarships at four major UK universities. Valued at £210,000 in its first three years, it is part of a wider COSARAF package of support for poorer students that is expected to top a third of a million pounds by 2021. One award will be made each year over the next three years for eligible students enrolled at St Anne's College, Oxford; any Cambridge college (administered by Downing College); The University of Warwick; and Cambridge Muslim College.



The Sheikh Family Scholarship awards each student up to £10,000 per year towards the cost of their tuition fees and living expenses. They will also have access to a personal mentor and a tailored leadership support programme, paid Summer internship at a leading charity and ongoing support from COSARAF. The scholarship is open to UK Muslim students who face financial hardship and, ideally, are the first in their family to attend university. Priority is given to those for whom the award will make most difference and who demonstrate a clear plan to give back to their communities and wider society.



In addition to the Sheikh Family Scholarship, the Foundation is working with all four institutions – and students more generally across UK institutions – to provide additional support to deserving young people of all faiths and none through its existing Hardship Fund.

The Sheikh Family Scholarship was launched at a high-profile event at St Anne's College on 26 April 2019 by Dr Rosena Allin-Khan MP and St Anne's Advisory Fellow Tom Ilube CBE.

*"It is vitally important that young people from minority backgrounds have every opportunity available to them. A person's background, race, gender, religion or class should never factor into the opportunities available. It is for this reason that I am proud to launch the Sheikh Family Scholarship. Every child should have the opportunity to choose their future."*

- Dr Rosena Allin-Khan MP

#### Using cricket to support youth development in Kenya

The Foundation was delighted to announce a significant new three-year partnership with the East Africa Character Development Trust (EACDT) for its ground-breaking youth development programme in Kenya which uses cricket as a powerful vehicle by which to develop the character traits essential for long-term success.

EACDT's programme tackles the lack of 'soft skills' development within the educational system in Kenya, targeting children from Nairobi's slum communities who are born into poverty and seldom ever alleviate themselves from its grasp and who are at most risk of being disenfranchised from their own society. EACDT aspires to help young people by developing their social and character-led capabilities. As a result, they should be better able to manage the extreme challenges of slum life and to support their advancement through education and employment, and ultimately, to elevate themselves from their historic deprivations.

EACDT teaches key character traits academically proven to be essential to progress and success in life; it implants in young, disadvantaged people, via coaching and playing sport, attitudes and life skills which will fit them for school, employment, family and community life and social integration.

By the end of 2021, with the Foundation's support and the match-funding which has been unlocked thanks to the Foundation's grant, EACDT targets are to:

- Develop the seven core character traits among 2000+ boys and girls across at least 20 schools in Kenya.
- Deliver a more intensive version of the programme to 200+ boys and girls, aiming to ensure that of these cricketers at least 12 become involved in national cricket squads.
- Develop at least one new community cricket club; and
- Deliver training to a minimum of 30 teachers, future teachers and sports coaches.





### Supporting homeless teenage girls in Manchester, UK

The Foundation is committed to a three-year partnership with Contact Hostel which works hard to provide a home environment for girls and young women who may have experienced relationship breakdowns, domestic violence, forced marriage, threatened abduction as well as physical and emotional abuse.

Contact Hostel provides accommodation and practical support for homeless teenage girls from the Manchester area. Since 1970, they have helped over 800 young women. Residents are supported to get back on their feet and help them move onto better, happier futures, often following very difficult and challenging starts in life.

Contact Hostel provides eight bedrooms, offering a welcoming and homely atmosphere in the heart of South Manchester. Contact also helps young women with the next stage, whether they want to return to education, start a job or explore training opportunities.

By the end of 2021, with the Foundation's support and the match-funding which has been unlocked thanks to the Foundation's grant, Contact Hostel's targets are to:

- Keep safe 81 young girls, with 44 reaching their potential and 44 moving on to more secure tenures.
- Provide small hardship grants to young girls who need to purchase essential items to move on, such as applying for a passport or requesting a copy of their birth certificate.





### Building sustainable communities in Lahore, Pakistan

Delivered by US-based For the Needy and Hungry Foundation, The Noor Project's mission is to equip impoverished communities with the tools to escape poverty and become self-sustainable. The charity's ambition is to enable families to become self-sufficient by providing them with the right tools and guidance, empowering communities to thrive in the wake of poverty, disease and lack of education.

The Noor Project aims to raise marginalised families above the poverty line by supporting the families for the short-term and – vitally – by striving to make them self-sufficient in the long-term through its comprehensive suite of programmes. Over a period of 3-6 months, as well as providing families' basic needs such as food, grocery, healthcare and child education, the Project provides adult family members with the skills to find well-paying jobs in the market.

With the Foundation's support, the Noor Project will be able to support:

- 680 students to participate in the literacy programme;
- 420 students in skills workshops;
- a food bank supporting almost 300 families;
- the provision of 1600 warm meals a day to local communities;
- 75 orphaned girls;
- 40 elderly beneficiaries.

As well as providing grant-funding, the Foundation has brokered an exciting new Strategic Partnership Agreement with For the Needy and Hungry Foundation and the Pakistani charity the Fahmida Begum Foundation. The Agreement recognises the significant benefits to be realised through collaboration between the three charities, covering the sharing of expertise, supporting each others' strategic development and developing staff development across the parties.

In addition to these exciting new projects, in line with the trustees' commitment to providing long-term support to the organisations with which we work, the Foundation has continued to provide support to the following key projects:

### Supporting young entrepreneurs from disadvantaged backgrounds

As proud supporters of the Prince's Trust Enterprise Fellowship, the COSARAF Foundation's support has enabled 17 young people to be supported via the Trust's Enterprise Programme. The Enterprise programme supports 18 to 30-year-olds from the most disadvantaged backgrounds to turn their big ideas into a business reality with a comprehensive package of training, mentoring support, funding and resources. The Foundation is proud to be a Silver Patron of The Prince's Trust.









### Building sustainable communities in Karachi

COSARAF has continued to support the development the Fahmida Begum Foundation in Karachi, Pakistan. The project, established in honour of the Sheikh children's mother who sadly died in 2014, has a mission to provide the resources and facilities for the poorest citizens of Mehran Town essential for them to live active and productive lives, including:

- Housing, food and other essentials;
- Healthcare;
- Education;
- Employment skills; and,
- A safe and uplifting environment.

This year, the project has supported six families in sheltered accommodation, provided nutritious meals every day to an average of 350 of the poorest women and children of the area, provided medical help to over 3000 individuals and educational support to over 100 local children. The Foundation is delighted that the project's new primary school opened its doors to its first students in 2018, with 49 students enrolled.

An important development this year has been the formal establishment of the Fahmida Begum Foundation, a registered legal society, to provide the strong governance platform for the Centre's work. A major building development project is now underway to provide state-of-the-art facilities to enable the Centre's development in supporting the local Mehran Town community. To complement this project, the COSARAF Foundation has also announced a significant strategic partnership with The Dawood Foundation and the Fahmida Begum Foundation to support each other in various charitable initiatives undertaken in Pakistan, with a particular focus on the Fahmida Begum Foundation school.

### Tackling mental health in Pakistan

Alongside the CareTech Foundation, the COSARAF Foundation has partnered with the British Asian Trust to invest in a £1million partnership by which to deliver a step change in mental health and wellbeing provision in Pakistan. The British Asian Trust is investing in solutions that will improve both the clinical and non-clinical services available to people with mental health problems, as well as the wider population's perception and understanding of mental health. Through this innovative programme, mental health and family wellbeing will improve through transformative solutions that are collaborative, scalable, sustainable and engage the private sector.

In the last year, the British Asian Trust has entered into partnerships with four local partners. These partners provide incredible access and support in leading community activities, engaging schools and businesses and providing training and recruitment opportunities for local communities. We were delighted that the programme is increasingly securing high-level support, including public backing from the Pakistan national cricket team.



### The COSARAF Feeding Stations in Kenya

COSARAF continues to support the Shamakha Foundation, a community-led project in Kenya to support starving families in Kenya. The COSARAF Kenya Feeding Stations have this year provided much-needed food support to women and children in need, with 500 meals being provided every day of the year within the local community.

### Mentoring support for young people from BME communities

The Foundation are long-serving supporters of the Mosaic initiative established by HRH The Prince of Wales to provide mentoring support to young Muslims and their peers from the most disadvantaged communities across the UK. The Foundation was Mosaic's first ever Gold Patron and has remained committed to Mosaic's powerful programmes as Mosaic transferred in to The Prince's Trust. The Foundation's support has enabled 92 young people to have been supported through the award-winning Mosaic Secondary School Mentoring programme. Trustee Farouq Sheikh serves on the Mosaic Advisory Board.



In addition to the programmes detailed above supported through the Major Grants scheme, key vehicles by which the Foundation delivers its Objects are its Hardship Fund and its Ramadan Projects.

### Hardship Grant scheme

Hardship grants are available for UK residents only and are available to individuals who can demonstrate that they are suffering clear financial hardship or do not have the financial means for essential expenditure. Trustees prioritise:

- Families over individuals;
- The most financially excluded people;
- Items that will make the most difference.

The maximum Hardship Grant is £5000. For student applications only, for tuition fees or living expenses, grants are capped at £2,500. For 2018 / 19, 40 individuals were supported totalling £125,000.

### Ramadan Projects

In line with the Islamic values of the Foundation's trustees, a separate funding pot has been established for distribution to projects during the holy month of Ramadan. Throughout Ramadan 2018, the Foundation supported three main charities:

- The Fahmida Manzil Trust in Pakistan to distribute 500 food parcels.
- The Shamaka Foundation in Kenya providing much-needed food to women and children in need on a daily basis, with some 470,000 plates of food served.
- Bangladesh feeding stations, with the support of Being Humanitarian providing daily meals for the poorest communities in Bangladesh, with over 300,000 plates of food served throughout Ramadan.

Additionally, a number of smaller grants were made to charities and individuals.



## Plans for the future

Over the course of the new year, trustees will seek to continue to implement the new Strategic Plan agreed in 2018, a summary of which is set out in the diagram below.

By 2023 time, the success of the Foundation will be assessed by the trustees against its ability to have delivered the following three over-arching strategic aims:

- **Aim 1 - To deliver a powerful focused portfolio of projects, delivering significant and sustainable impact in line with its strategic priorities.**
- **Aim 2 - To ensure the Foundation is well-resourced, with a strong staff team supporting a highly effective and engaged Board of trustees and wider family members.**
- **Aim 3 - To develop a Foundation that is respected as providing a positive and powerful example, in partnership with other similar foundations, of the contribution of British Muslims to wider society.**

In the coming year, trustees will wish to focus on supporting the important new partnerships and grant funding schemes launched in 2018, whilst adding a modest number of new partnerships to further strengthen its portfolio. Trustees will also continue to build on the Foundation's governance and leadership foundations.





## Governance and Staffing

### Trustees

The Foundation continues to benefit from a strong and committed group of trustees. Having undertaken a major overhaul of all policies and procedures in the previous year, the trustees have this year focussed on ensuring the strong application of these new arrangements to ensure the highest standards of governance.

Building on the review last year, trustees have this year commissioned a wider review of the Foundation's structure and governance arrangements, recognising the growing importance of our work overseas and the importance of strong financial and risk controls.

### Staffing

The trustees have welcomed the support provided by the small new staff team – Jonathan Freeman, CEO (interim) and Michelle O'Brien, Foundation Manager – and the rigour that they have brought to the Foundation's operations. The trustees are grateful to Grosvenor UK Ltd for its support in funding these two critical roles.

As set out in the Foundation's Financial Handling Manual, staff salaries are reviewed annually by the trustees.

### Values

COSARAF is a family-led foundation and, in large part, the vehicle by which to disburse the family's Zakat donations. As such, the Foundation's values are rooted in the Islamic faith and in the Sheikh family's ethos. The Foundation has sought to distil these characteristics in to the following three values which are intended to establish very clearly how the Foundation and all involved in its work will undertake its important work:

- **Entrepreneurial**
- **Principled**
- **Loyal**

## Communications and Brand

### Communications Strategy

The trustees agreed a new communications strategy during this period, setting key objectives by which to ensure that the Foundation's work is brought to the attention of the widest possible audience in order to support its operations.

### New online channels

In line with this Strategy, trustees have been pleased to oversee the Foundation's new website and social media channels this year. These important new channels have played a significant part in building awareness of the Foundation's work over this last year.

Trustees were particularly pleased with the launch of the new Sheikh Family Scholarships which secured good media coverage, online and offline, of this important new initiative.



## Diversity Equity and Inclusion

The Foundation is fully committed to promoting Diversity, Equity and Inclusion across all aspects of its work:

- The Foundation recognises that people from different backgrounds bring fresh ideas and a different approach which makes the way we work and learn more fun, more creative, more efficient and more innovative, bringing benefits to the organisation.
- The Foundation actively seeks to recognise, value and take account of individuals' different backgrounds, knowledge, skills and experience to create a more productive and effective organisation.
- The Foundation seeks to ensure that all who work for and deal with us feel valued and welcome.
- The Foundation strives to ensure that everyone has access to the same opportunities in their dealings with the Foundation but recognises that advantages and barriers exist for different individuals. The Foundation recognises that individuals have unequal starting places and that we must make efforts to correct and address such imbalance.

## Financial review

### Review of the charity's financial position at the end of the period

As set out below, the Foundation continues to enjoy a strong financial position. As a result, the Foundation is well-placed financially to deliver its long-term objectives.

### Statement explaining the policy for holding reserves stating why they are held

The Foundation receives both unrestricted and restricted funds, the latter being those subject to the Islamic principle of Zakat which restricts the use to which these funds can be directed. The Foundation holds Reserves in respect of both Zakat funds and non-Zakat funds, in line with the Foundation's Zakat Policy.

During this year, the trustees have agreed a new Zakat Distribution Policy by which to guide the use of these funds moving forward with the intention of reducing its reserves of such funds in the future.

The Foundation is fully committed to promoting Diversity, Equity and Inclusion across all aspects of its work:

- to provide a level of working capital that protects the continuity of its core work
- to provide a level of funding for unexpected opportunities
- to provide cover for risks such as unforeseen expenditure or unanticipated loss of income.

The Board of Trustees reviews the above criteria with reference to the Foundation's strategy and Annual Business Plan and determines the target level of free reserves to meet the obligations agreed in the Business Plan.

### Amount Of Reserves Held

As noted in the Accounts accompanying this report, the Foundation held unrestricted funds of £1,841,026 and restricted funds of £161,605 at the end of this financial year.

### Details of fund materially in deficit

None

### Explanation Of Any Uncertainties About The Charity Continuing As A Going Concern

Not applicable



## Structure, Governance and Management

### Description Of The Charity's Trusts

Type of governing document: Deed of Trust of 31 January 2007

How the charity is constituted: Incorporated as body corporate on 27th April 2016 by The Charity Commission of England and Wales under the power given in s251 of the Charities Act 2011

Trustee selection methods: Appointed by a resolution of the existing trustees

### Additional Governance Issues

In selecting individuals for appointment as trustees, the trustees are required by virtue of the Deed of Trust to have regard to the skills, knowledge and experience needed for the effective management of the Foundation.

Terms of Reference for the Board of Trustees are in place as well as Role Descriptions for the Chair, Treasurer and all trustees.

### Management of Risks

A Management of Risks Policy is in place and is reviewed regularly by trustees. The principal risks recognised over this period in the Foundation's Risk Register were:

- Poor delivery of grant agreements by grant recipients;
- Trustee body lacking relevant skills;
- Weak governance and risk controls



## Reference and administrative details

### Charity Details

Name: COSARAF Charitable Foundation

Other names charity is known by: COSARAF Foundation

Registered charity number: 1118481

Charity's principal address: 7th Floor, Metropolitan House, 3 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AG

The following individuals acted as trustees of the Foundation over this reporting period.

Name	Office	Dates of appointment
Haroon Sheikh	Chair	Appointed at trust inauguration
Akbar Sheikh	Treasurer	Appointed on 9th February 2015
Farouq Sheikh		Appointed at trust inauguration
Naureen Sheikh	Safeguarding	Appointed on 9th February 2015
Saba Sheikh		Appointed at trust inauguration
Seema Sheikh		Appointed at trust inauguration
Dr Zayba Sheikh Mahmood		Appointed on 9th February 2015
Rukhsana Sheikh		Appointed on 10th May 2018

### Adviser Details

The Foundation's bankers are Coutts & Co (440 Strand, London, WC2R 0QS).

The Foundation's auditors are Moore Stephens Northern Home Counties Limited (Nicholas House, River Front, Enfield, Middlesex, EN1 3FG)

The Foundation's legal advisers are Bates Wells Braithwaite (10 Queen Street Place, London EC4R 1BE)

### Senior Staff

Jonathan Freeman acts as the Chief Executive Officer (interim) of the Foundation and Michelle O'Brien is the Foundation Manager. Both are seconded from Grosvenor UK Ltd.

## Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees.

Signature: 

Full name: **Haroon Rashid Sheikh**

Position: Chair

Date:

Signature: 

Full name: **Akbar Sheikh**

Position: Treasurer

Date:



## Independent examiner's report to the trustees of the Cosaraf Charitable Foundation

I report to the trustees on my examination of the financial statements of The Cosaraf Charitable Foundation (the charity) for the year ended 5 April 2019.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Francis Corbishley, FCA

Dated:

Moore Stephens Northern Home Counties Limited  
Nicholas House  
River Front  
Enfield  
Middlesex  
EN1 3FG



## Statement of financial activities including income and expenditure account

for the year ended 5 April 2019

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
<b>Income from</b>							
Donations and legacies	2	83,069	228,532	311,601	73,750	252,013	325,763
<b>Expenditure on</b>							
Charitable activities	3	281,323	411,848	693,171	223,040	87,420	310,460
Net gains/(losses) on investments	8	85,050	-	85,050	-	-	-
<b>Net movement in funds</b>		(113,204)	(183,316)	(296,520)	(149,290)	164,593	15,303
Fund balances at 6 April 2018		1,954,230	344,921	2,299,151	2,103,520	180,328	2,283,848
<b>Fund balances at 5 April 2019</b>		1,841,026	161,605	2,002,631	403,316	344,921	2,299,151

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

All income and expenditure derive from continuing activities.



## Balance sheet

as at 5 April 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	9	1,233,241	1,148,191
<b>Current assets</b>			
Cash at bank and in hand		789,890	1,163,960
Creditors: amounts falling due within one year	10	(20,500)	(13,000)
<b>Net currents assets</b>		<b>769,390</b>	<b>1,150,960</b>
<b>Total assets less current liabilities</b>		<b>2,299,151</b>	<b>2,283,848</b>
<b>Income funds</b>			
Restricted funds		161,605	344,921
Unrestricted funds		1,841,026	2,299,151

The financial statements were approved by the Trustees on



A R Sheikh  
Trustee



H R Sheikh  
Trustee

# Notes to the financial statements

for the year ended 5 April 2018

## 1 ACCOUNTING POLICIES

### Charity Information

The Cosaraf Charitable Foundation is an unincorporated charity whose principal address is 7th Floor, Metropolitan House, 3 Darkes Lane, Potters Bar, EN6 1AG.

### 1.1 Accounting Convention

The financial statements have been prepared in accordance with the charity's Deed of Trust, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

### 1.2 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### 1.3 Charitable Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.



## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 1.4 Incoming Resources

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 at the time of the donation.

### 1 ACCOUNTING POLICES

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

### 1.5 Resources Expended

Expenditure is recognised in the statement of financial activities on an accrual basis as a liability is incurred. Expenditure includes any VAT which can not be fully recovered.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

### 1.6 Fixed Asset Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

### 1.7 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.

## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 1.8 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 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.

#### 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.

## 1 ACCOUNTING POLICIES

### Derecognition of Financial Liabilities

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

### 1.9 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.



## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 2 DONATIONS AND LEGACIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Donations and gifts	83,069	228,532	311,601	73,750	252,013	325,763
<b>Donations and gifts</b>						
Gift aid donations (gross)	38,628	150,000	188,628	66,250	252,013	318,263
Other donations	44,441	78,532	122,973	7,500	-	7,500
	83,069	228,532	311,601	73,750	252,013	325,763

### 3 CHARITABLE ACTIVITIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Staff costs	66,532	-	66,532	-	-	-
Consulting, marketing and branding	12,000	-	12,000	-	-	-
	78,532	-	78,532	-	-	-
Grant funding of activities (see note 4)	333,316	266,764	600,080	87,420	210,926	298,346
Share of governance costs (see note 5)	14,559	-	14,559	12,114	-	12,114
	426,407	266,764	693,171	99,534	210,926	310,460

## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 4. GRANTS PAYABLE

	Restricted Funds 2019 £	Unrestricted Fund 2019 £	Total 2019 £	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total 2018 £
Grants to institutions:						
Prince's Trust - Mosaic	-	-	-	-	8,333	8,333
Prince's Trust - Enterprise Fellowship	-	62,496	62,496	-	33,332	33,332
Needy & Hungry Foundation	31,500	-	31,500	-	-	-
Britain Asian Trust	-	59,000	59,000	-	5,000	5,000
Patchwork Foundation	-	-	-	-	31,100	31,100
Bright Futures	-	3,000	3,000	6,500	-	6,500
Age UK	-	5,000	5,000	-	5,000	5,000
Being Humanitarian	-	25,796	25,796	5,200	22,079	27,279
Shamakha Foundation	42,000	28,120	70,120	42,000	22,423	64,423
Cambridge Mosque	-	20,000	20,000	-	-	-
East African Character Development Trust	-	35,000	35,000	-	-	-
Fahmida B Trust	17,400	10,000	27,400	-	-	-
Cambridge Muslim College	10,000	-	10,000	-	-	-
University of Warwick	17,500	-	17,500	-	-	-
Contact Hostel	-	5,000	5,000	-	-	-
Other Donations	214,916	13,352	228,268	33,720	83,659	117,379
Grants to Individuals	-	-	-	-	-	-
	<b>333,316</b>	<b>266,764</b>	<b>600,080</b>	<b>87,420</b>	<b>210,926</b>	<b>298,346</b>



## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 5 SUPPORT COSTS

	Support costs £	Governance costs £	2019 £	Support Costs £	Governance Costs £	2018 £
Accountancy and independent examination fees	-	4,421	4,421	-	1,530	1,530
Bank charges	-	216	216	-	204	204
Travel and training	-	3,510	3,510	-	-	-
Aborted investments costs	-	-	-	-	9,260	9,260
Insurance	-	294	294	-	1,120	1,120
Design and branding	-	6,298	6,298	-	-	-
	-	14,559	14,559	-	12,114	12,114
Analysed between Charitable activities	-	14,559	14,559	-	12,114	12,114

### 6 TRUSTEES

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 7 EMPLOYEES

There were no employees during the year.

Employment costs	2019 £	2018 £
Wages and salaries	66,532	-

All wages and salaries for the year are in the form of gifts in kind and so do not represent the cost of staff directly employed by the charity.

## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 8 NET GAINS / (LOSSES) ON INVESTMENTS

	Unrestricted 2019 £	Total 2018 £
Revaluation of investments	85,050	-

### 9 FIXED ASSET INVESTMENTS

	Unlisted investments £
<b>Cost or valuation</b>	
At 6 April 2018	1,148,191
Valuation changes	85,050
At 5 April 2019	1,233,241
<b>Carrying amount</b>	
At 05 April 2019	1,233,241
At 05 April 2018	1,148,191

Fixed asset investments consists of 100 ordinary shares in Sheikh Holdings Group (Investments) Limited. The investments are part of the Charity's unrestricted funds.

### 10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	5,000	5,000
Accruals and deferred income	15,500	8,000
	20,500	13,000



## Notes to the financial statements (continued)

for the year ended 5 April 2018

### 11 ANALYSIS OF NET ASSETS BETWEEN FUND

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Fund balances at 5 April 2019 are represented by: Investments	1,233,241	-	1,233,241	1,148,191	-	1,148,191
Current assets / (liabilities)	607,785	161,605	769,390	806,039	344,921	1,150,960
	1,841,026	161,605	2,002,631	1,954,230	344,921	2,299,151

### 12 RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2018 - none).



The COSARAF Charitable Foundation

Metropolitan House

3 Darkes Lane

Potters Bar

EN6 1AG

0300 111 7890

[cosaraf.org](http://cosaraf.org)

Charity Registration No. 1118481