



The Aziz Foundation
Annual Report and Financial Statements
For the period to 31 March 2018

Charity Registration Number
1169558

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REFERENCE AND ADMINISTRATION INFORMATION

Board of Trustees	Asif Haroon Aziz (Chair) Hussein Haroon Aziz Mohammed Abdul Aziz Talat Habib Malik Shabir Ahmed Randeree (resigned 01 November 2016)
Foundation Director	Mohammed Abdul Aziz
Principal office	16 Babmaes Street London SW1Y 6HD
Charity registration number	1169558
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank 1 Churchill Place Canary Wharf London E14 5HP

TRUSTEES' REPORT

The Trustees present their statutory report, together with the financial statements of the Aziz Foundation, for the period from 10 October 2016 to 31 March 2018.

Governance and Management

Constitution

The Aziz Foundation (the "Foundation") commenced its operations on 14 August 2015 following the adoption of its constitution and was registered as a Charitable Incorporated Organisation (CIO) with the Charity Commission on 10 October 2016, charity registration number 1169558.

Board of Trustees

As at 31 March 2018, the Foundation had four Trustees who have served throughout the period covered in this report. They are named in the reference and administrative information on page 1. The constitution requires a minimum of three Trustees to be active during each reporting year. The Trustees do not receive any remuneration for their work as Trustees.

New Trustees may be appointed by the Board of Trustees. Proposed new Trustees would be required to meet the existing Board, and if approved, would be provided with the Aziz Foundation constitution and brought up to date on the Foundation's grant making policy and processes, annual report(s), relevant Charity Commission policies and charity law.

The Trustees are responsible for overall strategy and specific time sensitive priorities across the Foundation's grant making work. They receive updates on finances and performance, as well as information on the impact of major grants. They are also provided with updates on charity law and matters relating to the administration of the Foundation.

The Trustees are responsible for preparing the Trustees' report and financial statements, which must comply with statutory requirements and the Foundation's governing document.

The Trustees maintain the Foundation's records and information systems and manage the financial affairs of the Foundation. They are responsible for the safeguarding of the Foundation's assets and for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Management

The Aziz Foundation delivers a dynamic programme of philanthropic work that includes scholarships, research grants, grants for individuals and projects, and organisational development for charities.

The implementation of the Foundation's work programme is delegated to the staff and is led by its Director, Deputy Director and the Programme Managers, who work closely with the Chair of Trustees. The staff are responsible for delivering the Foundation's strategic objectives and priorities, implementing its work programmes, and for the monitoring and management of grants and awards. Policies and processes for internal organisational development and external grant making have been set up, and all staff have been trained in these policies.

The Foundation has run three grant cycles per calendar year. To date, the Foundation's Grants Review Committee (GRC) consists of eight people, including members of the Aziz Foundation and the Aziz family, alongside independent experts.

The Foundation's Board of Advisors, advising both its Trustees and Senior Management Team, consisted of five people as at 31 March 2018. Major decisions taken by the Senior Management Team are regularly

discussed with the Trustees, who ensure that the Foundation continues to progress in line with its aims and objectives. Members of the Board of Advisors are drawn into such discussions as and when their advice and guidance is required.

The Trustees consider that they together with the Director of the Foundation comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees and the Director receive no remuneration from the Foundation in connection with their duties.

Related parties

During the period, the Foundation received donations, both in the form of cash and in-kind support, from Criterion Capital Limited, whose controlling director is also the Chair of the Foundation.

Risk Management

Through formal governance policies and procedures, carefully monitoring programmes and ensuring that controls exist over key financial systems, the Foundation has established effective ways to mitigate and manage risks to its work. Further, after examining operational risks faced by the Foundation at different levels of governance and management, measures, procedures and checks have been put into place to ensure that grant making and development work is monitored as necessary. For example, before grants are awarded the Foundation will carry out detailed due diligence on applicant organisations and their projects, including speaking to current funders of the applicants. Once grants are awarded, where possible Foundation staff visit grantees premises, projects and events to inspect the work that the Foundation has awarded grants towards. The Foundation also requests progress reports from the grantees on the work the Foundation has agreed to support prior to making the final grant payments. The Trustees have examined the risks faced by the Foundation and are satisfied that systems are in place to manage and mitigate exposure to those risks.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 income and expenditure 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 established methods and principles in 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 United Kingdom (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 proper 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and

- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Charitable Objectives and Policies

Charitable Objectives

The Foundation is a grant making charity and supports purposes which are within those listed in the Charities Act 2011. It supports individuals and projects, strengthens organisations, and helps incubate innovative ideas that will ultimately benefit communities that the Foundation works with. The Foundation's work also involves development projects that enable individuals and organisations from disadvantaged communities to improve the work they do and the services they provide, thus strengthening the infrastructure that already exists for the disadvantaged groups the Foundation seeks to help.

The Foundation makes grants in accordance with its constitution and grant making policies. The objectives of the Foundation are to: further such exclusively charitable purposes for the public benefit according to the law of England and Wales as the charity Trustees shall determine in their absolute discretion. Trustees take care to ensure that where grants are not made to registered charities, they are always made for charitable purposes and the use of any grants made is monitored closely.

When reviewing the Foundation's aims and objectives, the Trustees consider the potential benefit to the public and the furthering of the Foundation's mission to support disadvantaged communities. The Foundation is refining how impact assessment is incorporated into its work, always aiming to learn from those it seeks to benefit.

The Foundation's grant making policy is summarised below.

Grant Making Policy

At the end of each financial period, the Trustees review the Foundation's grant making policy for the forthcoming year. They consider the Foundation's overall grant making strategy as required, including long-term and short-term issues that may affect the Foundation's grantees. The Trustees award grants mostly to registered charities and organisations running projects for charitable purposes in accordance with the Charities Act 2011.

Those applicants not registered as a charity are assessed on a case-by-case basis, considering the status of the applicant, any organisational structure involved, and the requested purpose of the grant.

The Foundation only considers applications from potential grantees within the UK. Aziz Foundation funded work must benefit disadvantaged communities in the UK. Applications are considered on their own merit, regardless of previous rejection or receipt of grants. In normal cases for project funding, the maximum value of a grant will not exceed 25% of the project, capped at £15,000. The Trustees may also make grants at their discretion based on advice from staff.

The Trustees have ultimate responsibility for all grant making decisions in line with the Foundation's charitable purposes and any restrictions agreed with funding partners. However, the Trustees may delegate certain decision-making responsibilities to the Foundation's staff. The Trustees reserve the right not to approve any recommendation or nomination if, after due consideration, they determine that the resulting grant would not be charitable or falls outside its priorities.

The Trustees do not normally approve/support applications for:

- purposes for which the government has a statutory responsibility to provide;
- large, well-funded national charities, i.e. those with an annual income over £5 million or £50+ million assets, or charities dedicated to issues deemed by the Trustees to be already well funded;

- organisations with large free or unrestricted reserves;
- general appeals, fundraising appeals or marketing appeals;
- one-off conferences or events, except where these events fall within a wider project context that aligns with our funding priorities, and the connections to these priorities and relevant impact are clearly demonstrated;
- activities which actively seek to, or appear to, influence public opinion in favour of a political party or promote political partisanship;
- partisan or evangelical groups or organisations whose mission or charitable objectives state an intention to proselytise. As a values-based organisation, the Foundation will, however, consider offering support to faith-based organisations which are doing demonstrably positive and impactful work in the field of community development and social justice, without a proselytisation agenda.

Beyond the standard terms and conditions for grants additional terms and conditions, or changes to the standard terms and conditions, are drafted by the Foundation's Grants Officer in discussion with grantees. They are approved by a member of the senior management team and a Trustee on a case-by-case basis.

Funding Priorities

The Foundation's grant making during this reporting period has focused on supporting innovative projects and building sustainable partnerships with charitable organisations. The projects the Foundation has supported reflect its three work streams: Community Empowerment, Leadership Development and Public Engagement. The Foundation believes that an increased investment in disadvantaged communities skills and capacity, and their presence in public life and opportunities to connect with others, are crucial to the development of disadvantaged communities in the UK. By gaining confidence in their abilities, understanding their own power and influence, and communicating appropriately with others, people from disadvantaged communities are better able to correct misinformation, stereotypes and prejudice as well as challenge discrimination and marginalisation.

Activities, Performance and Achievements

Review of Activities

Community Empowerment

The Foundation's Community Grants Programme is designed to support dynamic interventions on the ground which have the potential to create lasting change through networked multi-level actions in a number of areas. During the reporting period, the Foundation has awarded 42 grants to organisations that help the most vulnerable in our society.

The Foundation has prioritised funding to charities working with the homeless. For example, it has awarded a grant to **One Roof Leicester** for their 'Winter Night Shelter' initiative, which is a collaboration between organisations from multiple faiths who provide meals and overnight accommodation for rough sleepers across Leicester. The Foundation has also awarded **West London Mission** a multi-year grant to support their work with the homeless. It is funding a project which gives the homeless access to WLM's Day Centre in Marylebone, provides them with a freshly cooked nutritious meal, and gives them recourse to medical and counselling services.

The Foundation has also dedicated funds in excess of £85,000 to refugee advocacy and service delivery groups. For example, it has awarded a grant to **Refugee Action** to aid their work in reuniting refugee children with their families in the UK. The Foundation has also provided assistance to **St James's Church, Piccadilly**, to support its 'International Group Breakfast', which offers a supportive and safe space to refugees and migrants in the UK who have no recourse to public funds.

The Foundation's Beacons Programme supports organisations in key sectors of the Muslim communities to make essential infrastructure improvements in their governance, management and service delivery, to benefit both Muslim communities and wider society. As part of this programme, the Foundation has so far focussed on supporting organisations in two key sectors: mosques and community centres and Islamic educational institutions.

Other priority areas of grant making included elderly and palliative care and mental health. In these areas the Foundation awarded 14 grants, including to **Eden Care's 'Befriending and Advocacy Service'**, which supports the terminally ill and those reaching the end of their life through community-based mentors and **Mind's 'Up My Street' Project**, which creates a culturally informed space for young African- Caribbean men to receive the mental health support they need.

The Foundation made a grant to **Faith Associates** to work with four mosques in London: Al Manaar Mosque; Al Madina Barking Mosque; Mevlana Rumi Mosque; and Morden Islamic Centre. These mosques reflect the diversity in British Muslim communities and ensure geographic cover across London, where more than a third of the British Muslim communities reside. The Foundation hopes to raise standards in governance, management and service provisions so that these mosques become beacon mosques - serving as social hubs for local communities. The Foundation has arranged training around governance for these mosques where required and will award grants to these and other mosques to initiate activities for key groups, including children, young people, women, the elderly and the wider local community.

The Foundation's work in relation to Islamic educational institutional has focused on Islamic supplementary schools. It was launched this year, after a series of consultations on Islamic Education. These consultations were successful in developing a number of key ideas that the Foundation intends to adopt in its work on Islamic supplementary schools in Britain.

Leadership Development

The Foundation has sought to address the chronic leadership deficit in disadvantaged communities; in particular, the lack of leaders conversant with both underrepresented communities and wider society. To this end, the Foundation has identified potential leaders and supported them through skills development to equip them for leadership roles in the future. The Foundation has also actively assisted existing community organisations who support leadership development in underprivileged and underrepresented communities.

The Foundation has taken major steps to invest in the leadership capacity-building of individuals from disadvantaged communities, so that these communities may effectively address their own needs and also contribute to the common good. The Foundation has pursued a coordinated approach of complementary investment in individuals from these communities, as well as institutions developing future leaders. In the reporting period, the Foundation has awarded 15 scholarships and bursaries to individuals from a range of age, gender and socio-economic backgrounds – some of these through institutional agreements with **Oxford, Cambridge and Goldsmiths, University of London**.

The Foundation has awarded eight leadership project grants in this period, to organisations dedicated to the increased participation of marginalised communities through visible leadership positions in all spheres of public life. The Foundation agreed a three-year residency for **Patchwork Foundation**, a charity which aims to empower citizens to play a role in political and public life. It has also provided support to **Uprising's 'One Million Mentors'** initiative, which aims to connect a million mentors to a million young people in order to increase minority employment in key sections and **The Advocacy Academy**, which works with young Black boys in Brixton. It has also awarded a grant to **Operation Black Vote** to support their parliamentary shadowing scheme, which is nurturing a new generation of political and civic leaders from BME backgrounds.

Public Engagement

Disadvantaged communities often lack representation and a voice in mainstream society. Through this work stream, the Foundation has worked with grassroots organisations to support their ability to engage more effectively in public and policy discourses through research, advocacy and media. The Foundation has also developed its arts and culture initiatives, partnering with both grassroots and mainstream arts institutions to identify and showcase talent from underrepresented communities.

As part of the Foundation's commitment to highlighting the contributions of Muslims to public life in the UK, despite the unique challenges they face, the Foundation, along with co-funders, committed funds towards the **Citizens UK Commission on Islam, Participation and Public Life**, chaired by the former Attorney-General, the Rt. Hon. Dominic Grieve QC MP. This crucial research into Muslim communities and their recorded contribution to society culminated in a report titled *The Missing Muslims – Unlocking British Muslim Potential for the Benefit of All*. To explore narratives around British Muslims, the Foundation, with several co-funders, also commissioned a report by **Ipsos MORI** that examined the attitudes, experiences and views of British Muslims by analysing previously unexplored survey and polling data-sets to create the most comprehensive report to date on Muslims in the UK.

The Foundation has also provided key funding towards a report by the **Runnymede Trust** that marked the 20th Anniversary of the ground-breaking publication *'Islamophobia: a challenge for us all'*, the report of the Runnymede Trust Commission on British Muslims and Islamophobia. The anniversary report highlighted the continuing barriers to equality faced by British Muslims and insights into how anti-Muslim racism has changed in the twenty years since Runnymede's seminal publication. The Foundation has also co-funded research by insight professionals looking at attitudes towards Muslims in British society and co-funded a report of the **All Party Parliamentary Group on British Muslims** titled 'A Very Merry Muslim Christmas!'

During the reporting period, the Foundation invested significantly in its arts and culture programme. The Foundation has awarded a number of project grants to arts organisations working with or for disadvantaged communities, including the **Bradford Literature Festival**, the **Lyric Hammersmith** and the **Theatre Royal Stratford East**. The Foundation was delighted to be able to support the **National Theatre** and the **Young Vic** in the development of the acclaimed play about Calais refugees, *'The Jungle'*. New exciting organisations have also been supported, such as **Afrotech**, a weekend festival for young Black people interested in coding and building their own digital platforms. Individual development grants have also been awarded to artists such as the photographer **Mahtab Hussain**, whose portraits of young Muslim men - *'You Get Me?'* - attracted much media interest and critical praise. The Foundation also awarded grants to 12 individual artists/cultural workers across all disadvantaged groups, for individual projects and personal artistic development.

Additionally, a pilot project to place a young female Muslim graduate with Granta Magazine was very successful, signposting an effective way to develop routes into mainstream arts and culture for individuals from Muslim and other disadvantaged backgrounds. As a result, more high-value, bespoke internships and placements are now being developed.

Residency Programme

The Foundation's Residency Programme cuts across all three of its work streams. This cross-stream initiative incubated five organisations engaged in pursuing social change and making a positive contribution to society. All residents (grantees) are provided with vital seed capital, desk space and training tailored to their needs, which better equipped them to work in disadvantaged communities. These five residents are: **Patchwork Foundation**, an organisation that promotes the positive integration of under-represented and deprived communities into British democracy and civil society, **Coexist House**, a centre transforming public understanding about the practices and perspectives of the world's religions to promote better and more peaceful relationships, **HaLOL**, a non-profit organisation that encourages participation in the arts amongst minority communities, **Artistic Directors of the Future**, dedicated to increasing the number of culturally

diverse artistic leaders in the arts sector; and **Sadaqa Day**, which creates and promotes opportunities for Muslims to volunteer their time for good causes.

Grants Awarded

Below is a list of all grants over £5,000 awarded by the Foundation. These grants in total comprise nearly 90% of the total value of grants awarded during the reporting period.

Grantee	Project	Amount
Community Empowerment		
Al Isharah Ltd	Al Isharah Islamic School (Deaf Maktab)	£7,500
Beacon Mosques	Multiple Grantees (multi-year awards)	£80,000
Beacon Mosques	Mosques Award Event	£10,000
Belief in Mediation and Arbitration (BIMA)	Faithful Dispute Resolution	£6,000
Faith Associates	Beacons Project (multi-year award)	£30,800
Hopscotch Asian Women's Centre	In Touch and Engaged Project (multi-year award)	£15,000
Islamic Society of Britain	Muslim Youth Empowerment	£7,500
MADE	Activism and Leadership Campaigns Training Programme (grant cancelled)	(£7,500)
Muslim Youth Helpline	Phase 2 Development	£12,500
Refugee Action	Families United	£10,000
Sadaqa Day	Residency (multi-year award)	£45,000
Super Being Labs Ltd	Refugee App	£10,000
Lateef Project	Embedded Adult Islamic Counselling Services	£15,000
The Save the Children Fund	Children's Communities	£10,000
The Scout Association	The Muslim Scouts Fellowship Development Project (multi-year award)	£90,000
West London Mission	Eat & Heat: Supporting Street Homeless People to Access Basic Human Needs (multi-year award)	£15,000
		£356,800

These Community Empowerment grants of £356,800 represents 78% of the total value (£458,587) of grants awarded for this work stream. This is before allocation of operating costs for this stream of work.

Leadership Development		
Arts Scholarships	Scholarships	£50,000
Baroness Warsi Foundation	BWF Social Changemakers	£10,000
Cambridge Muslim College	Professorship (grant reduced)	(£35,000)
Goldsmith's College, University of London	Scholarships (multi-years award)	£50,000
Hardship Fund	Various Individuals	£60,000
Muslim Leadership Development Programme	PhD Scholarships (multi-year award)	£180,000
National Zakat Foundation	Muslim Leadership Development Fund	£50,000
Olmec	Black on Board	£10,000
Operation Black Vote	Parliamentary Shadowing Scheme	£10,000
Patchwork Foundation	Residency (multi-year award)	£15,000
Regents' Park College, Oxford University	Scholarships (multi-years award)	£125,000

St. Edmund's College, Cambridge University	Scholarships (multi-years award)	£125,000
The Advocacy Academy	Unleashing the Power of Young People	£7,500
The Traveller Movement	Gypsy, Roma, Traveller Women's Leadership Project	£10,000
		£667,500

These Leadership Development grants of £667,500 represent 98% of the total value (£680,193) of grants awarded for this work stream. This is before allocation of operating costs for this stream of work.

Public Engagement		
Adam Dinham	Religion and Belief Equality Index	£15,000
Artistic Directors of the Future	Residency (multi-year award)	£45,000
British Future	New Networks and Alliances for Integration	£10,000
Byline Festival	Grantee Short Films and Podcasts	£7,758
Citizens UK	Citizens Commission on Islam, Participation and Public Life	£10,000
Citizens UK	Safe Passage UK	£10,000
Coexist House	Residency (multi-year award)	£45,000
Durham University	Various Scoping Reports and Advisory Notes	£21,000
Equality and Diversity Forum	Coordinating to Combat Hate Crime	£12,000
Film Roundhouse	Film: Do You Get Me?	£10,000
HaLOL	Residency (multi-year award)	£45,000
Individual Artists Awards	Multiple Grantees	£50,000
Institute for Public Policy Research	Reaching Out: Tackling Muslim Women's Isolation	£10,000
Liberty	Dismantling the 'Hostile Environment' Enforcement Policies	£10,000
London Gypsies and Travellers Unit	Mapping the Pathway to Equality	£10,000
Migration Museum	No Turning Back: Seven Migration Moments that have changed Britain	£8,000
Muslim Council of Britain	Media Monitoring (multi-year award)	£90,000
National Theatre	Zhangal (or 'The Jungle') - A New Play	£10,000
New Horizons	Muslim Communities, UK Audiences - A Communications Strategy	£14,740
P21 Gallery	Syria 2030	£10,000
Reading Culture CIO	Reading Culture	£15,000
Rights Info	Shine a Light/Pass the Megaphone	£10,000
Theatre Royal Stratford East	Spoken Word: Hidden Voices Project	£10,000
The All Party Parliamentary Group on British Muslims	Secretariat for the APPG on British Muslims (multi-year award)	£60,000
The Winchester Project	Take Back the Power	£6,250
ULFA Aid	Rumi's Cave (grant cancelled)	(£7,500)
Young Vic	Development Award	£10,000
		£547,248

These Public Engagement grants of £547,248 represent 88% of the total value (£623,678) of grants awarded for this work stream. This is before allocation of operating costs for this stream of work.

Other		
Grenfell Muslim Response Unit	Grenfell	£25,000

These Other grants of £25,000 represent 86% of the total value of Other grants awarded (£29,043).

Financial Review

Results for the Reporting Period

A summary of the period's results can be found on page 14 of this report and financial statements. During the period ending 31 March 2018, total income amounted to £4,036,491 (period to 9 October - £274,249) of which £145,312 (period to 9 October - £nil) was restricted.

The Trustees made grants totalling £2,045,058 (period to 9 October - £1,935,642) including allocated staff costs. In addition, the charity incurred support costs of £221,266 (period to 9 October - £57,788).

Reserves Policy

The Trustees have examined the Foundation's requirements for reserves considering the main risks to the Foundation and its future grant making projections. The Trustees have received assurance from HIRO Property Holdings Limited that the company will provide funds to the Foundation, on a timely basis, for the next 12 months from the date of this report to enable the Foundation to pay the grants that become payable and for any administrative running costs of the Foundation. This support will protect the Foundation and its long-term charitable giving strategy by providing sufficient additional resources, as required, to adjust to changing financial circumstances.

In light of this assurance the Trustees do not consider it necessary for the Foundation to hold free reserves

Financial Position

The balance sheet shows net assets of £50,986, all of which is held in restricted funds. The unrestricted free reserves of the charity are £nil, which is in line with the reserves policy above.

Future Plans

The Foundation has developed a strategic plan, a grant making model and a work programme to support disadvantaged communities in the UK. Going forward, the Foundation will consolidate the number of work streams from three to two, namely Community Development and Public Engagement.

The Foundation will continue its development work, focusing on infrastructure development work in Muslim communities, and the commissioning of research which addresses the challenges faced by Muslim communities - to offer practical and policy-oriented solutions.

The Foundation has been donated approximately 15,000 sq. ft. at the Trocadero, Piccadilly Circus, London, where it is planning to develop a Muslim-led community and cultural space, including a start-up centre, professional development centre and a theatre. The Foundation has appointed a manager to oversee the development, operation and programming in this unique space.

Signed on behalf of the Board of Trustees



Asif Haroon Aziz
Trustee (Chair)



Mohammed Abdul Aziz
Trustee

Approved by the Trustees on 11th July 2018

Independent auditor's report to the Trustees of the Aziz Foundation

Opinion

We have audited the accounts of The Aziz Foundation (the 'charity') for the period ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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.

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 Act 2011 requires us to report to you if, in our opinion:

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

Other matter

The prior period comparatives are unaudited.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at 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 section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. 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.

Buzzacott LLP

Katharine Patel, Senior Statutory Auditor
For and on behalf of Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

11 July 2018

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities for the period to 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Income from:					
Donations and legacies	1	3,891,179	145,312	4,036,491	274,249
Total income		<u>3,891,179</u>	<u>145,312</u>	<u>4,036,491</u>	<u>274,249</u>
Expenditure on:					
Charitable activities - Promoting and enhancing charitable work					
. Grants payable	2	1,950,732	94,326	2,045,058	1,935,642
. Support costs	3	221,266	-	221,266	57,788
Total expenditure		<u>2,171,998</u>	<u>94,326</u>	<u>2,266,324</u>	<u>1,993,430</u>
Net income (expenditure) and net movement in funds		<u>1,719,181</u>	<u>50,986</u>	<u>1,770,167</u>	<u>(1,719,181)</u>
Reconciliation of funds					
Total funds at 10 October 2016		(1,719,181)	-	(1,719,181)	-
Total funds at 31 March 2018		<u>-</u>	<u>50,986</u>	<u>50,986</u>	<u>(1,719,181)</u>

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

The activities in the period from 14 August 2015 to 9 October 2016 relate to the period prior to the charity's registration as a Charitable Incorporated Organisation and have not been audited.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet as at 31 March 2018

	Notes	31 March 2018 Total £	9 October 2016 Total Unaudited £
Current assets			
Debtors	6	2,398,826	-
Cash at bank and in hand		344,194	33,391
		<u>2,743,020</u>	<u>33,391</u>
Liabilities			
Creditors: falling due within one year	7	(1,452,965)	(385,572)
Net current assets (liabilities)		<u>1,290,055</u>	<u>(352,181)</u>
Creditors: amount falling due after more than one year	8	(1,239,069)	(1,367,000)
Total net assets (liabilities)		<u>50,986</u>	<u>(1,719,181)</u>
The funds of the charity			
<i>Income funds</i>			
Restricted funds	9	50,986	-
Unrestricted general funds		-	(1,719,181)
		<u>50,986</u>	<u>(1,719,181)</u>

The balance sheet at 9 October 2016 relates to the period prior to the charity's registration as a Charitable Incorporated Organisation and has not been audited.

Approved by the Trustees
and signed on their behalf by:



Asif Haroon Aziz

Trustee (Chair)

Approved by the Trustees on 11 July 2018



Mohammed Abdul Aziz

Trustee

Statement of cash flows for the period to 31 March 2018

		Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
	Notes		
Cash flows from operating activities			
Net cash flows provided by operating activities	A	310,803	33,391
		<u>310,803</u>	<u>33,391</u>
Change in cash and cash equivalents		310,803	33,391
Cash and cash equivalents at 10 October 2016	B	33,391	-
Cash and cash equivalents at 31 March 2018	B	<u>344,194</u>	<u>33,391</u>

The cashflows in the period from 14 August 2015 to 9 October 2016 relate to the period prior to the charity's registration as a Charitable Incorporated Organisation and have not been audited.

Notes to the statement of cash flows for the period ended 31 March 2018:

A Reconciliation of net movement in funds to net cash flows from operating activities

	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Net movement in funds (as per statement of financial activities)	1,770,167	(1,719,181)
Adjustments for:		
(Increase) in debtors	(2,398,826)	-
Increase in creditors	939,462	1,752,572
Net cash flows provided by operating activities	<u>310,803</u>	<u>33,391</u>

B Analysis of cash and cash equivalents

Cash and cash equivalents consists of cash at bank and in hand	<u>344,194</u>	<u>33,391</u>
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The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

a) Basis of preparation

These financial statements have been prepared for the period from the date of registration as a Charitable Incorporated Organisation (CIO) to 31 March 2018. The activities of the Foundation prior to the date of registration as a CIO are presented as unaudited comparatives.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in sterling and are rounded to the nearest pound.

b) Critical accounting estimates and areas of judgement

Other than the assessment of going concern, as set out below, the preparation of the financial statements did not require the Trustees to make any significant judgements or estimates.

c) Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees have received assurance from HIRO Property Holdings Limited that the company will provide funds to the Foundation, on a timely basis, for the next 12 months from the balance sheet date to enable the Foundation to pay the grants that become payable and for any administrative running costs of the Foundation.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

d) Income recognition

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that income will be received.

Income during the period is comprised entirely of donations which are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when

d) Income recognition (continued)

the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure. Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably.

Expenditure comprises grants payable as part of the Foundation's charitable activities, as well as administrative costs pertaining to the charity and its grant-making. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.

All expenditure is stated inclusive of irrecoverable VAT.

f) Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

g) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

h) Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt. Where material they have been discounted to the present value of the future cash payment.

i) Fund accounting

The general unrestricted funds represent funds available for the general charitable purposes of the charity at the discretion of the Trustees.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

j) Pension scheme

Contributions are paid into a personal pension scheme for all employees. Pension contributions are charged to the Statement of Financial Activities in the period in which they fall due.

k) Allocation of support costs

Where costs, including work stream staff costs, relate directly to a work stream then they are allocated to that work stream.

Support costs, comprising the staff costs of the corporate function, are apportioned to the work stream based on the time spent by employees in processing and monitoring grants and other programme work

1 Donations

	Unrestricted funds £	Restricted funds £	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Donations	3,800,226	145,312	3,945,538	188,000
Donations in kind	90,953	-	90,953	86,249
2018 total funds	3,891,179	145,312	4,036,491	274,249
2016 total funds	274,249	-	274,249	

The donation in kind relates to the in-kind support the Foundation received from Criterion Capital Limited consisting of staff time and provision of office premises.

2 Grants payable

	Unrestricted funds £	Restricted funds £	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Community Empowerment				
Direct grant costs	455,941	2,646	458,587	90,071
Staff cost allocation (note 4)	74,400	-	74,400	18,795
Other	165	-	165	591
	530,506	2,646	533,152	109,457
Leadership Development				
Direct grant costs	600,919	79,274	680,193	1,230,309
Staff cost allocation (note 4)	94,441	-	94,441	9,515
Other	364	-	364	-
	695,724	79,274	774,998	1,239,824
Public Engagement				
Direct grant costs	611,272	12,406	623,678	556,550
Staff cost allocation (note 4)	81,753	-	81,753	8,765
Other	2,434	-	2,434	3,546
	695,459	12,406	707,865	568,861
Other				
Direct grant costs	29,043	-	29,043	17,500
2018 total funds	1,950,732	94,326	2,045,058	1,935,642
2016 total funds	1,935,642	-	1,935,642	

For further details of grants awarded, over £5,000 each, see pages 8-9. During the period, the number of grants awarded was 103 (2016: 39) including one grant to an individual.

3 Support costs

	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Staff costs (note 4)	182,672	40,274
Other administration costs	13,094	2,114
Office premises gift in kind	19,800	15,400
Audit fee	5,700	-
2018 total funds	221,266	57,788
2016 total funds	57,788	

4 Staff costs

	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Staff costs during the year were as follows:		
Wages and salaries	237,087	53,140
Social security costs	98,725	17,710
Other pension costs	1,085	-
	336,897	70,850
Sub-contracted staff	96,369	6,499
	433,266	77,349

Total staff costs have been allocated between grants payable – being Community Empowerment, Leadership Development and Public Engagement – and support costs based on an estimate of time spent in each area. These are allocated as follows:

	Period from 10 October 2016 to 31 March 2018 Total £	Period from 14 August 2015 to 9 October 2016 Total Unaudited £
Charitable activities (note 2)		
Community Empowerment	74,400	18,795
Leadership Development	94,441	9,515
Public Engagement	81,753	8,765
	250,594	37,075
Support cost (note 3)	182,672	40,274
	433,266	77,349

No employee earned £60,000 per annum or more (including taxable benefits) during the period (period to 9 October 2016 - none).

The average number of employees, analysed by function, was as follows:

	2018 No	2016 No
Grant and charity administration	7	2

5 Taxation

The Aziz Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities.

6 Debtors

	31 March 2018 Total £	9 October 2016 Total Unaudited £
Donations receivable	2,398,826	-
Total debtors	2,398,826	-

7 Creditors: falling due within one year

	31 March 2018 Total £	9 October 2016 Total Unaudited £
Grants payable	1,413,637	385,572
Accruals	39,328	-
Total creditors falling due within one year	1,452,965	385,572

	31 March 2018 Total £	9 October 2016 Total Unaudited £
Grant commitments at 10 October 2016	1,752,572	-
Commitments made in the period	1,762,623	1,894,430
Grants paid during the period	(862,489)	(141,858)
Grant commitments at 31 March 2018	2,652,706	1,752,572
Falling due within one year	1,413,637	385,572
Falling due in more than one year (note 8)	1,239,069	1,367,000
	2,652,706	1,752,572

8 Creditors: falling due after more than one year

	31 March 2018 Total £	9 October 2016 Total Unaudited £
Grants payable	1,239,069	1,367,000
Total creditors falling due after more than one year	1,239,069	1,367,000

9 Restricted funds

	At 10 October 2016 £	Income £	Expenditure £	At 31 March 2018 £
National Zakat Fund	-	110,000	(79,274)	30,726
Unbound Philanthropy	-	25,000	(4,740)	20,260
Other	-	10,312	(10,312)	-
	-	145,312	(94,326)	50,986

The purposes for which each of the restricted funds are held are as follows:

- National Zakat Foundation (NZF) – NZF has set up a scholarship programme called the 'Muslim Leadership Development Programme' (MLDP) of £250,000. The funds are being distributed by Aziz Foundation (AF) (£110,000) and NZF (£140,000) to Muslim men or women with relevant education and training and to facilitate for them clear pathways into careers and leadership roles. The MLDP is for just over one year, from August 2017 to September 2018. The balance outstanding at the period end, represents the amounts due to be paid to the scholars by September 2018.
- Unbound Philanthropy (UP) – UP has awarded a grant to AF for the support of a research program and communication strategy regarding public views, attitudes and understanding of Muslim communities. It is anticipated that the research will be completed in May 2018 and the report will be issued later in the summer.
- Other – this relates to other smaller grants obtained to be used for specific causes, all of which have been utilised in the period.

10 Analysis of net assets between funds

	Restricted funds £	General fund £	Total 2018 £
Fund balances at 31 March 2018 are represented by:			
Net current assets	50,986	1,239,069	1,290,055
Creditors: amounts falling due after more than one year	-	(1,239,069)	(1,239,069)
Total net assets	50,986	-	50,986

11 Remuneration of Trustees and key management personnel

The Trustees consider that they, together with the Director of the Foundation, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees and the Director receive no remuneration or reimbursement of expenses in connection with their duties.

12 Related party transactions

During the period, the Foundation received donations, both in the form of cash and in-kind support totalling £506,353, from Criterion Capital Limited, whose controlling director is also the Chair of the Foundation.

