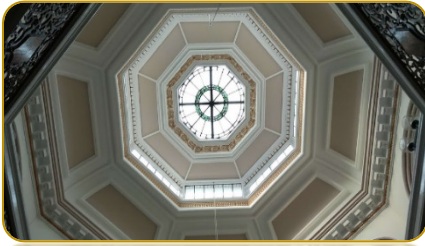




MADNI TRUST



ANNUAL REPORT

For the Year Ended 31 August 2023

REGISTERED CHARITY NUMBER: 1022471

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Highlights of 2022-2023



I am pleased to present to you Madni Trust's Annual Report for 2022-2023. I hope that you will find this report useful and hope that it provides some insight into the charitable work that Madni Trust has delivered in this last financial year.

The community events during the last year have ensured that users continue to grow in number and the impact is evident. I am really pleased to see the community engagement in the Masjid Ibrahim and Aspley Masjid projects in particular.

The new community centre and masjid in Bradford has been a tremendous success and has received a highly positive welcome. There was a pressing and strong demand in that particular area and we are forever grateful for the opportunity to serve the community.

I was very excited regarding another powerful graduation ceremony and pray for the future success and felicity of all our Jamia Al-Hudaa alumni.

I would like to thank the members of the community, our service users, donors, volunteers & above all our dedicated and committed staff who are helping Madni Trust achieve its objectives.

We are actively considering alternatives and engaging in thorough discussions regarding the delegation of operational responsibilities for the Jamia Al-Hudaa project. Our aim is to unlock its full potential and extend its impact to broader communities through essential education and care.

The report that you are presented with, covers the period 1 September 2022 to 31 August 2023.

Dr A Zaman, Chairman



We are pleased to present annual report with more news of success in various Madni trust projects.

Jamia Al-Hudaa had another great graduation ceremony and event where we came together to celebrate our achievements. The leadership team deserves praise for their consistent hard work and the latest progress monitoring report not only depicted the prior standards that were maintained but also the additional standards that were met. We still have some tasks ahead, but I am confident that we will soon be exceptionally well-positioned.

Special thanks to our students and parents who continue to support us wholeheartedly throughout all the challenges that we faced. Our activities and delivery of education to students is improving all the time and we work vigilantly to maintain this.

As you will also notice in this report, the Masjid work is always expanding and improving in line with the demands from our local and wider communities. We recognize there are ample opportunities for further progress and harbour sincere enthusiasm for the prospects that lie ahead.

As the secretary, the role requires me to constantly encourage staff and make them feel appreciated at all time as they have made many sacrifices to help Madni Trust become successful.

It has been an honour to serve as a secretary for Madni Trust. I see this as a challenging position and will continue to serve the Trust with my full commitment and pray that Madni Trust succeeds in its work.

Raza Ul Haq, Secretary

Report of the Trustees

Madni Trust was established in 1993 as a result of the low achievement levels in education within mainly the Muslim and BAME (Black, Asian Minority and Ethnic) Community. Its Board of Trustees is made up of several key members from local and national community organisations that represent and serve the community. The Trust has a strong team of dedicated volunteers and employees who are committed to provide the community with the skills, experience and knowledge that are essential for the community's betterment and improvement.

The Trust is governed by the Trust Deed, executed on 16th May 1993, which does not contain any restrictions that would affect the aims or day to day running of the Trust.

Mission statement

“To provide a positive framework for education, training and employment opportunities for those members of the community that it represents that may be disadvantaged due to cultural and religious reasons”

Aims

- To remove barriers to education.
- To provide and raise awareness of education and training in diverse areas of the United Kingdom (UK).
- To ensure that each student develops a good and humble character.
- Madni Trust's vision is that every individual needs to be educated without having any difficulties. This can only be achieved by providing facilities that a student will be comfortable in.
- Provide different educational programmes running throughout the year around the UK.
- To ensure that parents living on low income have the opportunity to provide their children with quality education.
- Ensure that graduating students make a positive impact whilst working in their communities.
- To engage the youth who are falling into various forms of anti-social behaviours due to lack of skills and opportunities and provide them relevant education and training facilities.
- All the work that Madni Trust has done and continues to do is only possible through working with and interacting with the local and national community on a regular basis.
- To establish centres where we can provide the facilities for the above aims to be fulfilled.

Barriers

Many people who have come to Madni Trust have lacked confidence to study at a traditional college or un-employed mainly because of language and cultural barriers. Major factors include:

- English, not being primary language for the majority of Asian Muslims;
- Lack of specialist training;
- Lack of adequate skills and qualifications in the youth essential for jobs;
- There is a low representation of the ethnic minorities in the managerial positions and Asian women who are employed, there are no suitable childcare facilities for their children under-fives.

Report of the Trustees – Continued

In order to alleviate some of the above problems, Madni Trust caters for all aspects of employment and education by including the following:

- Early learning provisions for the under 5's and bilingual staff.
- Single sex schooling to achieve in both national curriculum and faith education.
- Supplementary classes for school-aged children who study in mainstream schools.
- Establishing community facilities in various areas.
- Nursery / Crèche facilities for staff and the local community.

Our achievements

- Producing excellent graduates who work for the betterment of the community.
- Increased intake in the number of both day and residential students.
- Working closely with community organisations both on local, regional and national level for the propagation of educational needs.
- Working closely with voluntary organisations with similar aims and objectives to find ways of reducing unemployment and increasing awareness and benefits of education and training.
- Organising various community events to promote community relations and cohesion.
- Establishing the Kettlebridge site (Al-Huda Academy) to provide the local community with a centre for community activities & other training and educational programmes for the local community.
- Establishing the centre in Aspley to provide the local community with a centre for community activities and other training and educational programmes for the local community.
- Establishing a Masjid and community centre in Wrose, Bradford. This significant milestone has provided our organization with a dedicated space to serve the spiritual, educational, and social needs of the community. The new facility enables us to expand our reach and impact, fostering a stronger sense of unity and offering a wide range of services to enrich the lives of individuals in the local area.
- Achieving 'Good' for Jamia Al-Hudaa in the social care full inspection.
- Multi-faith community cohesion events.

Jamia Al-Hudaa – Nottingham

Jamia Al-Hudaa was established in 1996 with an objective to provide Islamic Science Syllabus along with the national curriculum to the girls of Asian Muslim Community. In order to ensure quality, as part of the enrolment process, all prospective students are required to pass an entrance examination.

Aims

- To provide quality education for 11-16-year-old girls and 16+ girls with residential facilities.
- To maintain the number of students.
- Offer a range of study programmes focusing on Islamic Sciences to complement the National Curriculum.
- Liaise with relevant universities, educational bodies & other education providers to recognise the Madni Trust Aalimah course as being equivalent to a Degree in Islamic Studies.

Report of the Trustees – Continued

Jamia End of year awards Event July 2022

Celebrating achievements and Islamic knowledge is a core principle at the Jamia. Thus, it was with immense pleasure that the Jamia community hosted another end-of-year awards event, serving as a perfect send-off for all students before their summer break.

Students were recognised for their academic achievements alongside areas in which they worked hard or improved. Awards also included special mentions for outstanding conduct in classrooms, residential and throughout the Jamia.

Parents were all proud of their daughters' hard work and commitment and were grateful to the Trustees & staff at Jamia for making this possible.

Jamia Ceremony Event October 2022

Jamia Al-Hudaa hosted a notable graduation ceremony with an impressive turnout, celebrating the educational accomplishments of its graduates and emphasizing the value of Islamic knowledge. Key educators from Jamia Al-Hudaa, instrumental in developing the students' understanding of Islam, delivered motivational speeches. They highlighted the applicability of Islamic teachings in various aspects of life and encouraged the graduates to act as positive representatives of Islam. This event reaffirmed the institution's commitment to fostering well-rounded individuals who merge general education with a solid foundation in Islamic principles.



Successful GCSE Results at Jamia Al-Hudaa

This year, Jamia Al-Hudaa is proud to announce exceptional GCSE outcomes. Our students have demonstrated remarkable academic prowess, a testament to their commitment and effort.

Such notable achievements underscore the quality of education and the encouraging atmosphere our school offers. Credit is due to both the students for their exceptional performance and the teaching staff for their steadfast commitment. Jamia Al-Hudaa continues to dedicate itself to creating an educational setting that promotes not only scholastic success but also personal growth.



Report of the Trustees – Continued

Ofsted Inspection

We recently underwent an Ofsted inspection on the 23rd of November 2022, which highlighted several areas where our Jamia has excelled and met the required standards. This is a testament to the hard work and dedication of our team. Although there were a few areas that were not inspected during this inspection, the leadership team looks forward to an opportunity to address those areas in a future inspection.

General Masajid Update

Activities and Developments

1. Ramadan Observances in Masjid Ibrahim and Aspley Masjid

Throughout Ramadan, Masjid Ibrahim and Aspley Masjid became beacons of spiritual nourishment and community. Masjid Ibrahim welcomed an average of 30-40 attendees daily for iftar, while Aspley Masjid saw between 80-100 individuals breaking their fast together. The Taraweeh prayers held nightly were characterized by their vibrancy and spirited participation, drawing the community closer in a shared religious experience. The mosques served as focal points of worship, especially notable during the last ten nights when refreshments were provided to enhance the worshippers' night prayers. The collective efforts and volunteering by community members significantly contributed to creating a welcoming and spiritually enriching environment in both masjids.

2. Inspirational Programs for Spiritual Growth

The Masajid hosted several programs aimed at fostering a deeper connection with Allah (SWT). These events were designed to inspire and educate attendees, reinforcing the spiritual foundation of our community. The engagement and feedback from these programs highlighted a collective desire for spiritual growth and a closer relationship with the divine, indicating the success and importance of such initiatives within the masjids.

3. Women's Inclusion in Events and Prayers

A notable achievement this year was the significant inclusion and turnout of women in both events and prayer services. This initiative ensured that women members of our community felt welcomed and integral to our religious observances. Their active participation and significant presence underscored the community's commitment to inclusivity and the importance of providing equitable spaces for worship and spiritual engagement for all genders.

4. Educational Offerings and Rising Demand

The Masajid continued to offer a variety of classes, witnessing an increase in student enrolment. Despite this growth, the demand for these educational programs remains high, reflecting a strong community appetite for learning and spiritual development. This situation highlights the importance of expanding our educational offerings to accommodate the interests and needs of our community members.

These reports underscore the vibrant and dynamic nature of our community's religious life, reflecting a year marked by spiritual growth, increased participation, and significant improvements to our masjid facilities.

Report of the Trustees – Continued

5. Renovations and Beautification of Aspley Masjid

Aspley Masjid underwent significant renovations, with new carpets installed in both the main and women's halls. These improvements have not only enhanced the aesthetic appeal of the masjid but also contributed to a more comfortable and inviting space for worship and gathering. The updates have been met with positive reactions from the community, appreciating the efforts to maintain and beautify our shared spiritual home.



Report of the Trustees – Continued

Plans for the Future

- Continue services in all centres according to expansion of community.
- Arrange more programmes and events focusing on important community issues e.g. drugs, gangs, knife crime etc.
- Increase in the variety of classroom-based courses available at Madni Trust/Jamia Al-Hudaa
- Establish Jamia Al-Hudaa as a separate entity to provide more focus to the provisions at Jamia.
- To provide educational and training courses across various communities locally and nationally where possible.
- Widening participation of the local community and community groups in furthering the aims and objectives.
- Funeral car & funeral services provided at cost level including refrigerator for storage of body.
- Re-pay loans taken for purchase of premises to expand community activities.
- Investment in people through work experience and training in ways to acquire outstanding results.
- Completion of all building and renovation projects to provide an excellent place to learn, research and enjoy.
- To work with different external bodies to allow Madni Trust to run different training and educational programmes.

Financial Review

	2023 £	2022 £	Change £
<u>Income</u>			
Donations & legacies	185,206	269,585	(84,379)
Charitable activities	742,067	601,916	140,151
Investments	134,793	141,622	(6,829)
Other income	53,622	16,399	37,223
	<hr/>	<hr/>	<hr/>
Total Income	1,115,688	1,029,522	86,166
 Total Expenditure	 1,046,104	 879,623	 166,481
 Other recognised gains	 332,327	 -	 332,327
 Surplus	 401,911	 149,899	 252,012
	<hr/>	<hr/>	<hr/>
Total Funds	5,979,639	5,577,728	401,911

Report of the Trustees – Continued

In the current financial year, the charity's total income has increased by £86,166. The charity has also managed to generate interest income of £116 and income from investment properties of £134,677. Other income amounting to £53,622 primarily consists of reversal of provision recorded in previous years.

Volunteer Support

Madni Trust started its ground work when it was first established by the help of volunteers. This volunteer support has helped Madni Trust to achieve its aims and objectives. Without their continuous support, it would not be possible to continue with its activities with such quality and dedication. Over the years Madni Trust has had the help of committed volunteers. These volunteers have been used for various projects that Madni Trust has undertaken. In all the projects that volunteer help was given, Madni trust is thankful and appreciates the help.

Risks

The major risks, to which that charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

Reserves Policy

At 31 August 2023 the charity had funds of £5,979,639 (2022: 5,577,728).

The trustee's plan is to endeavour to achieve a position where recurring revenue expenditure is met from recurring income and to try to maintain unrestricted funds at a minimum of £500,000 to meet unexpected needs.

Future Funding

The trustees are exploring all possible avenues for fund raising but in the meantime the charity remains dependent upon the support of individual donors and of the community.

The trustees are grateful to all those who have provided their support to the charity in cash or in kind and express the sincere hope that they (and others) will continue to support the important work of the charity.

Related Parties

In pursuit of its charitable objectives, the Trust has entered into transactions with Trustees and related parties. These are detailed in notes 9 & 21 of the accounts.

Recruitment, Appointment and Training of Trustees

The Board of Trustees consists of five to nine trustees and currently 8 trustees form the board. The trustees meet at least six times per annum.

Trustees are recruited in line with section 11 of Trust Deed and may be appointed by resolution of a meeting of the Trustees by a majority of 75%.

All trustees are updated immediately on our current policies as part of the induction, and training courses are made available and done as soon as possible.

Report of the Trustees – Continued

Arrangements for Setting Pay and Remuneration of Key Management

Key management have given up their right to a salary based on market conditions. They are therefore paid a reduced salary as it is accepted that some of their time is treated as voluntary. As a result, there isn't a policy, as such, to remunerate key management in accordance with market conditions.

Public Benefit

Charity Trustees have a duty to report in the Annual Report on their charity's contribution to public benefit. They are required to demonstrate that:

1. They are clear about what benefits are generated by the activities of the charity.

This report sets out some of the activities undertaken by Madni Trust in pursuit of the charity's strategic objectives.

2. The benefits must be related to the objectives of the charity.

All activities of the charity are undertaken in furtherance of its charitable objectives of providing education and training opportunities to disadvantaged individuals from ethnic minority communities, to raise awareness of education and training opportunities available to these people, to assist in the economic regeneration of the Asian community and to support the training of employees of small and medium sized enterprises operated by the Asian community.

3. The people assisted by the charity must be entitled to do so in accordance with the charity's objectives.

The benefits provided by the charity are directed at those individuals and communities identified in the objectives of the charity.

The trustees are therefore confident that the charity meets the requirement of Public Benefit and they confirm that they have taken into account the guidance contained in the Charity Commissions General Guidance on Public Benefit.

Report of the Trustees – Continued

Reference and administrative information

Charity Number 1022471

Registered Office The Lodge Berkeley Avenue
Mapperley Park
Nottingham
NG3 5TT

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Dr Akhtar uz Zaman Ghouri (Chair)
Mr Raza ul Haq (Secretary)
Mr Hassan Din
Mr Mohammad Akram
Mr Ali Raza
Mr Mohammad Qasim (appointed 1 September 2021)
Mr Abdullah Ditta (appointed 1 September 2021)
Mr Nasser Ali Zaman (appointed 1 September 2021)

Auditors Accountax (UK) Limited
21 Knightsbridge
London
England
SW1X 7LY

Bankers Natwest Bank Plc
Basford Branch
536 Valley Road
Basford
Nottingham
NG5 1FL

Key Management Personnel Mr Raza ul Haq (Secretary)
Mr Maha Abu-Taha (Head teacher)
Mr Ali Raza (Finance Manager)
Miss Suffia Raza (Head of Curriculum/ DSL)

Approved by the board of Trustees and signed on its behalf



Mr Raza ul Haq
Trustees

Date: 01/05/2024

Statement of trustees' responsibilities

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

Charity Law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate 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 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees and signed on its behalf by:



Mr Raza ul Haq

Trustee

Date: 01/05/2024

Madni Trust
Independent Auditor's Report
For The Year Ended 31 August 2023

Independent Auditor's Report to the Trustees of Madni Trust

Opinion

We have audited the financial statements of Madni Trust (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet as at 31 August 2023, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Madni Trust
Independent Auditor's Report
For The Year Ended 31 August 2023

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities on page 11, the trustees are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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.



Ghafoor Ahmad Khattak (Senior Statutory Auditor)
For and on behalf of Accountax (UK) Limited, Statutory Auditor

Chartered Certified Accountant and Registered Auditors
21 Knightsbridge, London, England, SW1X 7LY

Date: 01/05/2024

Madni Trust
Statement of Financial Activities
For The Year Ended 31 August 2023

		Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Total 2022 £
	Notes				
Income from:					
Donations & legacies	2	183,276	1,930	185,206	269,585
Charitable activities	3	742,067	-	742,067	601,916
Investments	4	134,793	-	134,793	141,622
Other income	5	53,622	-	53,622	16,399
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		1,113,758	1,930	1,115,688	1,029,522
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure:					
Charitable activities	6	1,044,174	1,930	1,046,104	879,623
		<hr/>	<hr/>	<hr/>	<hr/>
Net income		69,584	-	69,584	149,899
Other recognised gains:					
Gain on revaluation of investment properties	12	332,327	-	332,327	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		401,911	-	401,911	149,899
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 1 September 2022	16	5,577,728	-	5,577,728	5,427,829
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 August 2023		5,979,639	-	5,979,639	5,577,728
		<hr/>	<hr/>	<hr/>	<hr/>

All income and expenditure derive from continuing activities.


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

The notes on pages 17 to 29 form part of these financial statements.

Madni Trust
Balance Sheet
As at 31 August 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	11	4,018,961	3,031,259
Investment properties	12	2,052,500	1,720,173
		6,071,461	4,751,432
Current assets			
Stock	13	-	1,008,292
Debtors	14	205,413	87,825
Cash at bank and in hand		167,993	168,343
		373,406	1,264,460
Creditors: amounts falling due within one year	15	(465,228)	(438,164)
Net current (liabilities) / assets		(91,822)	826,296
Total assets less current liabilities		5,979,639	5,577,728
Income funds			
Unrestricted funds	16	5,979,639	5,577,728
Total funds		5,979,639	5,577,728

The financial statements were approved and authorised for issue by the Board of Trustees on _____ and were signed on its behalf by;



Mr Raza ul Haq
Trustee

Date: 01/05/2024

The notes on pages 17 to 29 form part of these financial statements.

Madni Trust
Statement of Cash flows
For The Year Ended 31 August 2023

	Notes	2023 £	2022 £
Net cash flow from operating activities			
Cash (used in) / generated from operations	18	(85,811)	80,224
Cash flows from investing activities			
Purchase of tangible assets	11	(65,332)	(429,301)
Proceeds from sale of tangible assets		16,000	-
Interest and rent from investments	4	134,793	141,622
Net cash flow from investing activities		85,461	(287,679)
Net decrease in cash and cash equivalents		(350)	(207,455)
Cash and cash equivalents at the beginning of the year		168,343	375,798
Cash and cash equivalents at the end of the year		167,993	168,343

The notes on pages 17 to 29 form part of these financial statements.

1. Accounting policies

1.1. Basis of preparing the financial statements

The financial statements of the charity have been prepared in accordance with the Charities SORP (FRS102) '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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost of transaction value unless otherwise stated in the relevant accounting policy or note.

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 charity meets the definition of a public benefit entity under FRS 102.

1.2. Income

Income recognition

Income, whether from exchange or non-exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other events results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for the gross basis, before deducting any related fees or costs.

Donations and legacies: These comprise all incoming resources from donations and gifts collected directly from individuals or organisations.

Charitable activities: These comprise income generated from the religious educational school, sales of books and boarding and lodging.

Investment Income: These comprise rental income from investment properties and interest receivable and similar charges.

Other Income: These comprise receipts from government support in relation to corona virus job retention scheme and realised gains/losses on tangible assets.

1.3. Expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reserved if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

1. Accounting policies - continued

1.4. Allocation and apportionment of costs

Resources expended are allocated to the particular activity where a cost relates directly to that activity. However, the costs of administration and support are of necessity and apportioned between the activities of the charity.

The charity has no material costs of raising funds hence, all support costs are apportioned to expenditure on charitable activities.

1.5. Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described in more detail in note 8.

1.6. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Buildings	2% on Cost
Plant & Machinery	20% on Cost
Motor Vehicles	25% on Cost
Fixtures & Fittings	20% on Cost
Computer Equipment	50% on Cost

1.7. Investment Properties

Investment properties are accounted for as follows:

- Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure.
- Investment properties are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the Statement of financial activities.

1.8. Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9. Financial Instruments

i. Financial assets

Basic financial assets, including debtors and other receivables and cash and bank balances, are initially recognised at transaction price, 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.

These are subsequently carried at amortised cost using the effective interest method.

1. Accounting policies - continued

i. Financial assets - Continued

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in statement of financial activities.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including creditors and other payables are classified as debt, 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 receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

1.10. Taxation

The charity is exempt from tax on its charitable activities.

1.11. Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1. Accounting policies - continued

1.11. Fund accounting - Continued

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.12. Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme to the National Employment Savings Trust (NEST). It was set up to facilitate automatic enrolment as part of the government's workplace pension reforms under the Pensions Act 2008. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1.13. Donated gifts, services and facilities

Donated gifts, professional services and facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity is probable and the economic benefit arising can be measured reliably. In accordance with the Charities SORP (FRS102) time given by volunteers is not recognised. Details of the contribution made by volunteers is given elsewhere in the annual report.

On receipt, donated gifts, professional services or facilities are recognised on the basis of the value of the gift to the charity; a corresponding amount is then recognised as expenditure in the period of receipt.

1.14. Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

1.15. Critical accounting estimates and assumptions

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Useful economic lives of fixed assets

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

1.16. Provision

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

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

2. Income from donations and legacies

		2023	2022
		£	£
Donations	2.1	185,206	269,585
		185,206	269,585
2.1 Analysis by fund			
Unrestricted funds		183,276	266,405
Restricted funds		1,930	3,180
		185,206	269,585

3. Income from charitable activities – unrestricted funds

		2023	2022
		£	£
Operation of Islamic Educational Institutes		742,067	601,916
		742,067	601,916

The charity operates Islamic schools, religious centres and community centres. Education is subsidised and parental contribution vary based on the financial capacity of parents.

4. Income from investment – unrestricted funds

		2023	2022
		£	£
Rental income and insurance		134,677	141,611
Interest income		116	11
		134,793	141,622

5. Other income – unrestricted funds

		2023	2022
		£	£
Government support – Coronavirus Job Retention Scheme		-	16,399
Gain on disposal of tangible assets		11,976	-
Others		41,646	-
		53,622	16,399

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

6. Charitable activities

	2023	2022
	£	£
Wages and salaries	497,974	426,710
Light and heat	208,464	72,668
Services	61,554	28,387
Food and supplies	54,573	40,716
Depreciation	81,898	97,122
Education and training supplies	24,596	10,385
Rates and water	17,820	44,058
Other property expenses	17,936	68,303
Advertising, printing and postage	13,308	7,511
Insurance	7,376	6,350
Pension	6,673	6,228
Charity expense	2,282	1,120
Allowance for doubtful debts	-	22,830
	<u>994,454</u>	<u>832,388</u>
Share of Support costs (see note 7)	<u>51,650</u>	<u>47,235</u>
	<u>1,046,104</u>	<u>879,623</u>
Analysis by fund		
Unrestricted funds	1,044,174	876,443
Restricted funds	<u>1,930</u>	<u>3,180</u>
	<u>1,046,104</u>	<u>879,623</u>

7. Support costs

	2023	2022
	£	£
Management	38,866	32,903
Finance	5,584	7,132
Governance	<u>7,200</u>	<u>7,200</u>
	<u>51,650</u>	<u>47,235</u>

Support costs include auditors' remuneration of £7,200 (2022: £7,200)

8. The contribution of volunteers

The volunteers work tirelessly to achieve the goals of the charity and their contribution cannot be measured.

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

9. Trustees' remuneration and benefits

Transactions with Trustees

During the year the charity paid amounts of £27,182 (2022: £27,252) and £11,723 (2022: £11,750) to the Trustees Mr. Ali Raza and Mr. Mohammad Akram respectively. These trustees were employed by the charity before they became trustees of the charity.

No expenses were incurred by the trustees on behalf of the charity during the year (2022: Nil).

10. Employees

Number of employees

The average monthly number of employees during the year was 43 (2022: 42).

Employment costs	2023	2022
	£	£
Wages and salaries	486,987	424,702
Social security costs	10,987	2,008
Other pension costs	6,673	6,228
	504,647	432,938

No employees received emoluments in excess of £60,000 during the year (2022: Nil).

Detail of remuneration paid to the trustees is included in Note 9.

The aggregate employee benefits paid to the key management personnel during the year was £47,812 (2022: £46,868).

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

11. Tangible assets	Note	2023		2022	
		£		£	
Property and equipment	11.1	4,018,961		3,031,259	
		4,018,961		3,031,259	

11.1 Property and equipment	Freehold land and buildings	Plant and Equipment	Fixture and Fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
As at 01 September 2022	4,093,582	156,170	179,556	105,415	33,489	4,568,212
Additions / transfers during the year	1,070,205	730	1,906	783	-	1,073,624
Disposals during the year	-	-	-	-	(16,075)	(16,075)
As at 31 August 2023	5,163,787	156,900	181,462	106,198	17,414	5,625,761
Depreciation						
As at 01 September 2022	1,091,378	149,033	164,344	102,733	29,465	1,536,953
Depreciation charged during the year	70,644	1,453	6,728	3,073	-	81,898
Elimination in respect of disposals	-	-	-	-	(12,051)	(12,051)
As at 31 August 2023	1,162,022	150,486	171,072	105,806	17,414	1,606,800
Carrying amount						
As at 31 August 2023	4,001,765	6,414	10,390	392	-	4,018,961
As at 31 August 2022	3,002,204	7,137	15,212	2,682	4,024	3,031,259

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

12. Investment properties

	2023	2022
	£	£
Cost or Valuation		
As at 1 September 2022	1,720,173	1,720,173
Gain on revaluation	332,327	-
As at 31 August 2023	2,052,500	1,720,173

During the year, investment properties valuation was undertaken by an independent valuer Savills (UK) Limited (RICS registered valuer), using market-based evidence for similar properties sold and recent lettings of similar properties in the local area.

13. Stock

	2023	2022
	£	£
Property development	-	1,008,292

The management's initial plan to develop the property for housing purposes did not materialise, leading to a decision to repurpose it for the construction of an educational centre. Consequently, during the year, the property has been reclassified from stock to freehold land and buildings.

14. Debtors

	Note	2023	2022
		£	£
Trade debtors	14.1	147,499	32,291
Other debtors		19,703	7,753
Prepayments and accrued income		38,211	47,781
		205,413	87,825

14.1. Trade debtors

	2023	2022
	£	£
Trade debtors	193,503	93,295
Less: Allowance for doubtful debts	(46,004)	(61,004)
	147,499	32,291

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Community loans	283,696	309,696
Trade creditors	23,375	10,736
Other creditors	63,852	70,591
Accruals and deferred income	94,305	47,141
	465,228	438,164

Deferred income comprises parental contribution received in advance amounting to £69,471 (2022: 38,740).

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

16. Movement in funds - 2023

	General Unrestricted Funds £	Total Unrestricted Funds £	Qurbani Restricted Funds £	Total Restricted Funds £	Total Funds 2023 £
Income from:					
Donation and legacies	183,276	183,276	1,930	1,930	185,206
Charitable activities	742,067	742,067	-	-	742,067
Investments	134,793	134,793	-	-	134,793
Other income	53,622	53,622	-	-	53,622
Total income	1,113,758	1,113,758	1,930	1,930	1,115,688
Expenditures on charitable activities:					
Operation of Islamic Schools and Islamic religious and community centres					
Direct costs	992,524	992,524	1,930	1,930	994,454
Support costs	51,650	51,650	-	-	51,650
Total expenditure	1,044,174	1,044,174	1,930	1,930	1,046,104
Net income	69,584	69,584	-	-	69,584
Gain on revaluation of investment properties	332,327	332,327	-	-	332,327
Net movement in funds for the year	401,911	401,911	-	-	401,911
Reconciliation of funds					
At 31 August 2022	5,577,728	5,577,728	-	-	5,577,728
At 31 August 2023	5,979,639	5,979,639	-	-	5,979,639

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

16.1 Movement in funds – 2022

	General Unrestricted Funds £	Total Unrestricted Funds £	Qurbani Restricted Funds £	Total Restricted Funds £	Total Funds 2022 £
Income from:					
Donation and legacies	266,405	266,405	3,180	3,180	269,585
Charitable activities	601,916	601,916	-	-	601,916
Investments	141,622	141,622	-	-	141,622
Other income	16,399	16,399	-	-	16,399
Total income	1,026,342	1,026,342	3,180	3,180	1,029,522
Expenditures on charitable activities:					
Operation of Islamic Schools and Islamic religious and community centres					
Direct costs	829,208	829,208	3,180	3,180	832,388
Support costs	47,235	47,235	-	-	47,235
Total expenditure	876,443	876,443	3,180	3,180	879,623
Net income	149,899	149,899	-	-	149,899
Net movement in funds for the year	149,899	149,899	-	-	149,899
Reconciliation of funds					
At 31 August 2021	5,427,829	5,427,829	-	-	5,427,829
At 31 August 2022	5,577,728	5,577,728	-	-	5,577,728

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

17. Analysis of net assets by funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances as at 31 August 2023 are represented by:			
Fixed assets	6,071,461	-	6,071,461
Net current liabilities	(91,822)	-	(91,822)
	<u>5,979,639</u>	<u>-</u>	<u>5,979,639</u>

18. Cash generated from operations

	2023 £	2022 £
Surplus for the year	401,911	149,899
Adjustments for:		
Investment income recognised in statement of financial activities	(134,793)	(141,622)
Gains on revaluation of investment properties	(332,327)	-
Depreciation charged	81,898	97,122
Allowance for doubtful debts	-	22,830
Gain on disposal of tangible assets	(11,976)	-
Movement in working capital		
(Increase) / decrease in debtors	(117,588)	46,116
Increase / (decrease) in creditors	27,064	(94,121)
Net cash flow from operating activities	<u>(85,811)</u>	<u>80,224</u>

19. Retirement benefit schemes

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

The charge in respect of defined contribution schemes was £6,673 (2021: £6,228).

Madni Trust
Notes to the Financial Statements
For The Year Ended 31 August 2023

20. Financial Instruments

The charity has the following financial instruments:

Financial assets at fair value through profit or loss

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	147,499	32,291
Other debtors	19,703	7,753
Accrued income	32,502	47,781
	199,704	87,825

	2023	2022
	£	£
Financial liabilities measured at amortised cost		
Trade creditors	23,375	10,736
Other creditors	63,852	70,591
Community loans	283,696	309,696
Accruals	14,400	8,431
	385,323	399,454

21. Related party transactions

During the year under review a total amount of Nil (2022: Nil) was loaned to the charity by the trustees. As at the year end, the charity has owed £65,640 (2022: £65,640) to trustees in respect of loans and during the year charity returned loan of £NIL (2022: £10,000). The total amount owed to trustees includes amounts loaned of £31,880 (2022: £31,880) from c/o the trustees.

The other related party transactions include trustees and key management personnel remuneration which are disclosed in note 9 and note 10 respectively.