

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
MADINA TRUST**

Gary J Cansick & Co
Chartered Accountants
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SG14 1QN

MADINA TRUST

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MADINA TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of Madina Trust are the advancement of the Islamic faith and the dissemination of the teachings of Islam.

Significant activities

The activities of the trust are, among others, to raise funds privately, invest these funds in halal investments and use the investment income to achieve its objectives.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The disbursement of funds amounted to £35,980 (2020- £83,720) during the year. This was down 57.02% compared to the disbursement in March 2020. This was a direct result of the Covid-19 pandemic, and the charity having to make sure it had reserves to continue meeting its objectives in the future.

Investment performance

The investments had a gross yield of 9.01 % compared 6.8% in the previous period. The main reason for this is that two of the commercial tenants went into liquidation in the previous year. One of the units has since been occupied by a related party of the original tenant at the same rental rates, the other has now been leased by a new tenant.

There is currently an aged debtor relating to rental income which is invoiced quarterly and received monthly from one of the tenants.

The aged debt in the previous year has been written off to building repairs as the charity were unable to recover the amounts..

FINANCIAL REVIEW

Financial position

The charity is in a stable position, with the investments producing enough income for the charity to operate for the foreseeable future.

Reserves policy

Endowment

20% of net income is allocated to the endowment fund in order to fund future property investment. These funds are not permanent and may be used to fund normal activities if the trustees deem it to be appropriate.

General

In view of the regular nature of the charity's rental income and its minimal overhead expenses, the trustees do not consider it necessary to maintain a material level of reserves on this fund.

Going concern

Whilst the country went into lock-down during March 2020 and continued to be in and out of lock-down throughout the current year, the charity has substantial reserves and new occupants in the investment properties which will help fund reduced activity over the the next 12 months.

FUTURE PLANS

The trustees aim to continue to support those in need of distributions in the future, and, where feasible, propose to invest further to increase the charity's income to enable it to increase the distributions made.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

MADINA TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

All decisions regarding distributions and the funding of future investments are made by the board of trustees at the appropriate trustee meetings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1072674

Principal address

13 Wayford Close
Longthorpe
Peterborough
Cambridgeshire
PE3 9NL

Trustees

Prof K Ahmed
Dr M M Ahsan MBE
Z Hassan
S Hassan
Dr Z A Parvez
F S Murad
I Hassan
N Hassan

Independent Examiner

Gary J Cansick & Co
Chartered Accountants
Janelle House
6 Hartham Lane
Hertford
Hertfordshire
SG14 1QN

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 5-11-2021 and signed on its behalf by:



Z Hassan - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MADINA TRUST

Independent examiner's report to the trustees of Madina Trust

I report to the charity trustees on my examination of the accounts of Madina Trust (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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



Mr Gary J Cansick
Gary J Cansick & Co
Chartered Accountants
Janelle House
6 Hartham Lane
Hertford
Hertfordshire
SG14 1QN

Date: 6/11/2021

MADINA TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Endowment fund £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,001	251	1,252	2,099
Investment income	2	99,052	24,763	123,815	110,617
Other income		-	-	-	243
Total		<u>100,053</u>	<u>25,014</u>	<u>125,067</u>	<u>112,959</u>
EXPENDITURE ON					
Raising funds	3	15,008	3,752	18,760	4,495
Charitable activities					
Charitable activities		35,980	-	35,980	83,720
Other		<u>2,617</u>	<u>652</u>	<u>3,269</u>	<u>1,448</u>
Total		<u>53,605</u>	<u>4,404</u>	<u>58,009</u>	<u>89,663</u>
Net gains on investments		<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>
NET INCOME		<u>46,448</u>	<u>30,610</u>	<u>77,058</u>	<u>28,296</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		51,788	1,661,936	1,713,724	1,685,428
TOTAL FUNDS CARRIED FORWARD		<u><u>98,236</u></u>	<u><u>1,692,546</u></u>	<u><u>1,790,782</u></u>	<u><u>1,713,724</u></u>

The notes form part of these financial statements

MADINA TRUST

**BALANCE SHEET
31 MARCH 2021**

	Notes	Unrestricted fund £	Endowment fund £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Investment property	6	-	1,625,000	1,625,000	1,615,000
CURRENT ASSETS					
Debtors	7	7,100	2,253	9,353	3,389
Cash at bank		101,918	65,389	167,307	100,824
		<u>109,018</u>	<u>67,642</u>	<u>176,660</u>	<u>104,213</u>
CREDITORS					
Amounts falling due within one year	8	(10,782)	(96)	(10,878)	(5,489)
NET CURRENT ASSETS		<u>98,236</u>	<u>67,546</u>	<u>165,782</u>	<u>98,724</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>98,236</u>	<u>1,692,546</u>	<u>1,790,782</u>	<u>1,713,724</u>
NET ASSETS		<u>98,236</u>	<u>1,692,546</u>	<u>1,790,782</u>	<u>1,713,724</u>
FUNDS	9				
Unrestricted funds				98,236	51,788
Endowment funds				<u>1,692,546</u>	<u>1,661,936</u>
TOTAL FUNDS				<u>1,790,782</u>	<u>1,713,724</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 5-11-2021, and were signed on its behalf by:

Zaid Hassan

Zaid Hassan

Z Hassan - Trustee

MADINA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

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.

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

2. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Rents received	123,250	110,478
Interest and other investment income	565	139
	<u>123,815</u>	<u>110,617</u>

MADINA TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

3. RAISING FUNDS

Investment management costs

	31.3.21	31.3.20
	£	£
Portfolio management	3,342	3,995
Property repairs	15,418	-
Support costs	-	500
	<u>18,760</u>	<u>4,495</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,681	418	2,099
Investment income	88,493	22,124	110,617
Other income	194	49	243
Total	<u>90,368</u>	<u>22,591</u>	<u>112,959</u>
EXPENDITURE ON			
Raising funds	3,596	899	4,495
Charitable activities			
Charitable activities	83,720	-	83,720
Other	1,159	289	1,448
Total	<u>88,475</u>	<u>1,188</u>	<u>89,663</u>
Net gains on investments	-	5,000	5,000
NET INCOME	<u>1,893</u>	<u>26,403</u>	<u>28,296</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	49,895	1,635,533	1,685,428
TOTAL FUNDS CARRIED FORWARD	<u>51,788</u>	<u>1,661,936</u>	<u>1,713,724</u>

MADINA TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

6. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2020	1,615,000
Revaluation	10,000
	<hr/>
At 31 March 2021	1,625,000
	<hr/>
NET BOOK VALUE	
At 31 March 2021	1,625,000
	<hr/>
At 31 March 2020	1,615,000
	<hr/>

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2019	217,245
Valuation in 2020	5,000
Valuation in 2021	10,000
Cost	1,392,755
	<hr/>
	1,625,000
	<hr/>

If investment properties had not been revalued they would have been included at the following historical cost:

	31.3.21	31.3.20
	£	£
Cost	1,392,755	1,392,755
	<hr/>	<hr/>

Investment properties were valued on an open market basis on 31 March 2021 by Jarroms Limited.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	7,353	3,389
Other debtors	2,000	-
	<hr/>	<hr/>
	9,353	3,389
	<hr/>	<hr/>

MADINA TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Taxation and social security	10,399	5,009
Other creditors	479	480
	<u>10,878</u>	<u>5,489</u>

9. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	51,788	46,448	98,236
Endowment funds			
Endowment Fund	1,661,936	30,610	1,692,546
TOTAL FUNDS	<u>1,713,724</u>	<u>77,058</u>	<u>1,790,782</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	100,053	(53,605)	-	46,448
Endowment funds				
Endowment Fund	25,014	(4,404)	10,000	30,610
TOTAL FUNDS	<u>125,067</u>	<u>(58,009)</u>	<u>10,000</u>	<u>77,058</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	49,895	1,893	51,788
Endowment funds			
Endowment Fund	1,635,533	26,403	1,661,936
TOTAL FUNDS	<u>1,685,428</u>	<u>28,296</u>	<u>1,713,724</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

9. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	90,368	(88,475)	-	1,893
Endowment funds				
Endowment Fund	22,591	(1,188)	5,000	26,403
TOTAL FUNDS	<u>112,959</u>	<u>(89,663)</u>	<u>5,000</u>	<u>28,296</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	49,895	48,341	98,236
Endowment funds			
Endowment Fund	1,635,533	57,013	1,692,546
TOTAL FUNDS	<u>1,685,428</u>	<u>105,354</u>	<u>1,790,782</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	190,421	(142,080)	-	48,341
Endowment funds				
Endowment Fund	47,605	(5,592)	15,000	57,013
TOTAL FUNDS	<u>238,026</u>	<u>(147,672)</u>	<u>15,000</u>	<u>105,354</u>

MADINA TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

11. SUBSEQUENT EVENTS

The financial period saw the heights of the global pandemic referred to as Covid-19.

Whilst this impacted disbursement activities during the financial period, the investment income streams performed well, due to new tenants being found for the properties. This affects the ability of the charity to provide grants for underprivileged children around the world going forward.

The charity is not in financial difficulty in respect of being a going concern.

MADINA TRUST**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,252	2,099
Investment income		
Rents received	123,250	110,478
Interest and other investment income	565	139
	<u>123,815</u>	<u>110,617</u>
Other income		
No description	-	243
	<u>125,067</u>	<u>112,959</u>
Total incoming resources		
EXPENDITURE		
Investment management costs		
Portfolio management	3,342	3,995
Property repairs	15,418	-
	<u>18,760</u>	<u>3,995</u>
Charitable activities		
Disbursements	35,980	83,720
Support costs		
Governance costs		
Postage and stationery	250	531
Sundries	1,059	167
Accountancy and legal fees	1,960	1,250
	<u>3,269</u>	<u>1,948</u>
Total resources expended	<u>58,009</u>	<u>89,663</u>
Net income before gains and losses	67,058	23,296
Realised recognised gains and losses		
Realised gains/(losses) on investment property	10,000	5,000
Net income	<u>77,058</u>	<u>28,296</u>