

Charity registration number 1081557

MASJID-E-SAJEEDEN, MADDRESAH ISLAMİYAH & ISLAMİYAH SCHOOL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022

MASJID-E-SAJEEDEN, MADDRESAH ISLAMİYAH & ISLAMİYAH SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

A Bobat
M A Sidat
Y Diwan
S A Desai
Y Khalifa
R Jassat
N Kola
H Mulla
S Sidat
I Kola
A Patel

Charity number

1081557

Principal address

Plane Tree Road
Blackburn
Lancashire
BB1 6PH

Independent examiner

AMS Accountants Corporate Ltd
Chartered Accountants
Floor 2
9 Portland Street
Manchester
M1 3BE

MASJID-E-SAJEDEEN, MADDRESAH ISLAMİYAH & ISLAMİYAH SCHOOL

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 13

MASJID-E-SAJEDEEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the period ended 31 August 2022.

The trustees have adopted the provision of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Objectives and activities

The Charitable Trust is constituted by Trust Deed, and its objects are:

To promote the benefit of the community in Blackburn (the area of benefit) and in particular without prejudice to the generality of the foregoing, the Muslim community, by associating together the Muslim people and the local authorities and other organisations in a common effort to relieve poverty and sickness, to advance the Muslim religion and to provide facilities for prayer services and for recognition and leisure-time occupation with the object of improving the conditions of life of the said community.

We review our aims, objectives and activities each year. This review looks at what was achieved and the outcomes of work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In furtherance of the objects, but not otherwise, the trustees may exercise the following powers:-

To make provision for daily prayers, funerals and burial arrangements, marriages and other religious and social ceremonies.

To provide for Islamic Education and language teaching for the Muslim community and their children.

To co-operate in a strictly non political way with welfare agencies, voluntary organisations, local and central government departments and other agencies in furtherance of the objects and to exchange information and advice with them.

To buy, take on lease or exchange any property necessary for the achievement of the objects and to maintain, furnish for use. Subject to any consent requires by law to sell, lease or dispose of all or any part of the property of the organisation.

To promote co-operation and unity among Muslim members in furtherance of the common cause and interest in Islam.

To raise funds by means of donations, gifts, legacies, grant aid from statutory authorities and other loans and fundraising events.

To establish or support any charitable trusts, associations or institutions formed for all or any of the objects.

MASJID-E-SAJEDEEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

Financial review

Total income for the period increased to £850k (£770k in 2021), of which £512k (£460k in 2021) was generated from charitable activities and £338k (£310k in 2021) was derived from donations and legacies, and grants.

In 2022, income continued to recover from the impact of the Covid-19 pandemic. Charitable income increased by £80k to £850k due to significant income drive from our work around in-person school events, developing individuals, teams and organisations.

Costs increased in 2022 as income increased. As a result of increase in staffing, repairs and maintenance and other costs on charitable activities, the trust moved from a positive financial outcome in 2021 to posting its shortfall for the period of £2k.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the period.

Aside from the income generated by the charity shop, the principal funding sources for the charity are currently by way of collection boxes, appeals and donation and school fees.

The trustees actively review the major risk which the charity faces on a regular basis and believe that maintaining reserves at the current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined the operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Looking forward the trust, like many charities, faces challenges and uncertainties. However, trustees believe that during 2021/22 we have continued to build strong foundations which will help us to be both more resilient and more dynamic in the future.

Plans for future periods

The charity plans continuing the activities outlined above in the forthcoming years for the benefit of the community subject to satisfactory funding arrangements.

Structure, governance and management

The organisation is a charity, established on 11 October 1969 and registered as a charity on 14 July 2000. The charity was established under a constitution of charity deed which established the objects and powers of the charity and is governed under its deed.

The trustees who served during the period and up to the date of signature of the financial statements were:

A Bobat	
M A Sidat	
Y Diwan	
S A Desai	
I Ghanchi	(Resigned 28 May 2022)
Y Khalifa	
Y Patel	(Resigned 28 May 2022)
I Sedat	(Resigned 28 May 2022)
S Lunat	(Resigned 28 May 2022)
S Akuji	(Resigned 28 May 2022)
F Patel	(Resigned 28 May 2022)
S Sidat MBE	(Resigned 28 May 2022)
I Sidat	(Resigned 28 May 2022)
R Jassat	(Appointed 29 May 2022)

MASJID-E-SAJEDEEN, MADDRESAH ISLAMİYAH & ISLAMİYAH SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

N Kola	(Appointed 29 May 2022)
H Mulla	(Appointed 29 May 2022)
S Sidat	(Appointed 29 May 2022)
I Kola	(Appointed 29 May 2022)
A Patel	(Appointed 29 May 2022)

Appointment of trustees is governed by the Trust Deed of the charity. The board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Charity has a Management Committee of up to 13 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the committee has 11 members from a variety of backgrounds relevant to the work of charity. The Committee is lead by the chairman and the secretary also sits on the committee.

Board of Trustees continue to provide excellent services working to move the Charity forwards. They give their time freely and provide excellent advice to the Charity's management team and receive no remuneration or benefits from the charity.

The trustees' report was approved by the Board of Trustees.



Ayub Patel
Chairman

14 November 2023

MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH &
ISLAMIYAH SCHOOL

I report to the trustees on my examination of the financial statements of Masjid-e-Sajeeden, Maddresah Islamiyah & Islamiyah School (the charity) for the period ended 31 August 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

AMS Accountants Corporate Ltd

Chartered Accountants
Floor 2
9 Portland Street
Manchester
M1 3BE

Dated: 14 November 2023

MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2022

	Unrestricted funds 2022	Unrestricted funds 2021
Notes	£	£
Income from:		
Donations and legacies	2 338,011	310,164
Charitable activities	3 511,600	459,991
Total income	849,611	770,155
Charitable activities	4 851,327	699,015
Net income/(expenditure) and movement in funds	(1,716)	71,140
Reconciliation of funds:		
Fund balances at 1 July 2021	719,531	648,391
Fund balances at 31 August 2022	717,815	719,531

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

MASJID-E-SAJEDEEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	7	510,925	496,616
Current assets			
Cash at bank and in hand		211,390	238,506
Creditors: amounts falling due within one year	8	(4,500)	(15,591)
Net current assets		206,890	222,915
Total assets less current liabilities		717,815	719,531
Income funds			
Unrestricted funds		717,815	719,531

The financial statements were approved by the Trustees on 14 November 2023



Ayub Patel
Trustee

MASJID-E-SAJEDEEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Masjid-e-Sajedeen, Madressa Islamiyah & Islamiyah School is a charitable trust registered in England and Wales. The registered office is Plane Tree Road, Blackburn, Lancashire, England, BB1 6PH.

1.1 Reporting period

To align the charity's reporting period with that of academic year, the charity changed the end of its reporting period from 30 June to 31 August. Amounts presented for the 2022 reporting period are for a 14-month period. Comparative figures are for a 12-month period. Consequently, comparative amounts for the statement of financial activities, balance sheet and related notes are not entirely comparable.

1.2 Accounting convention

The financial statements have been prepared in accordance with the Charity's Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity constitutes a public benefit entity as defined by FRS102. 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 UK and Republic of Ireland (FRS102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2nd February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

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

1.4 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

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

1.5 Income

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

MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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

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

Donated services and facilities are included at the value to the charity where this can be quantified. The value placed on these resources is the estimated value to the charity of service or facility received.

The value of services provided by volunteers has not been included in the accounts.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from charitable trading activity are accounted for when earned.

1.6 Expenditure

All expenditure is recognised and accounted for on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and cost linked to the strategic management of the charity

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis consistent with use of the resources.

1.7 Tangible fixed assets

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

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

Freehold land and buildings	Not depreciated
Fixtures and fittings	15% Reducing balance

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

MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2022

1	Accounting policies	(Continued)
---	---------------------	-------------

1.8	Impairment of fixed assets
-----	----------------------------

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

1.9	Cash and cash equivalents
-----	---------------------------

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10	Employee benefits
------	-------------------

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

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

MASJID-E-SAJEEDEN, MADDRESAH ISLAMİYAH & ISLAMİYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Government grants	5,000	79,514
Membership fees	206,818	148,518
Donated goods and services	4,497	2,560
Other	121,696	79,572
	<u>338,011</u>	<u>310,164</u>

3 Income from charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
School fees	483,709	442,665
Other income	<u>27,891</u>	<u>17,326</u>
	<u>511,600</u>	<u>459,991</u>

MASJID-E-SAJEDEEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

4 Expenditure on charitable activities

	2022 £	2021 £
Direct costs	631,215	533,424
Staff costs	12,660	12,462
Depreciation and impairment	18,046	9,572
Rates	13,852	12,429
Insurance	36,630	13,843
Light and heat	67,126	64,895
Books, fees and prizes	10,180	9,296
Printing, postage and stationery	7,747	3,063
Telephone	34,826	19,435
Repairs and maintenance	13,431	14,918
Computer running costs	263	1,280
Cleaning	4,026	3,148
Sundry expenses	1,325	1,250
Accountancy	851,327	699,015

Analysis by fund Unrestricted funds

	851,327	699,015
	=====	=====
	851,327	699,015
	=====	=====

5 Trustees

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

6 Employees

The average monthly number of employees during the period was:

	2022 Number	2021 Number
	32	32
	=====	=====
Employment costs	2022 £	2021 £
Wages and salaries	631,215	533,424
	=====	=====

There were no employees whose annual remuneration was more than £60,000.

MASJID-E-SAJEEDEN, MADDRESAH ISLAMIYAH & ISLAMIYAH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2022

7 Tangible fixed assets				
		Freehold land and buildings	Fixtures and fittings	Total
		£	£	£
Cost				
At 1 July 2021		421,716	215,422	637,138
Additions		12,720	14,250	26,970
At 31 August 2022		434,436	229,672	664,108
Depreciation and impairment				
At 1 July 2021		-	140,523	140,523
Depreciation charged in the period		-	12,660	12,660
At 31 August 2022		-	153,183	153,183
Carrying amount				
At 31 August 2022		434,436	76,489	510,925
At 30 June 2021		421,716	74,900	496,616
8 Creditors: amounts falling due within one year				
		2022	2021	
		£	£	
Other taxation and social security		3,175	2,079	
Other creditors		-	12,260	
Accruals and deferred income		1,325	1,252	
		4,500	15,591	
9 Unrestricted funds				
The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.				
	At 1 July 2021	Incoming resources	Resources expended	At 31 August 2022
	£	£	£	£
General funds	719,531	849,611	(851,327)	717,815
Previous year:				
	At 1 July 2020	Incoming resources	Resources expended	At 30 June 2021
	£	£	£	£
General funds	648,391	770,155	(699,015)	719,531

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2022

Unrestricted funds	2022	£
		510,925
		206,890

Tangible assets	510,925
Current assets/(liabilities)	206,890

Current assets/(liabilities)

510,925
206,890

717,815

Unrestricted

2021
£

Fund balances at 30 June 2021 are represented by:

Current assets/(liabilities)

496,616
222,915

719,531

There were no disclosable related party transactions during the period (2021 - none).

As a charity, Masjid-e-Sajadeen, Maddresah Islamiyah & Islamiyah School is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.