

Charity number: 1081649

**The Central Mosque Manchester & Islamic Cultural Centre Manchester M14 5RU
Trustees Report & Financial Statements for the year ended 31 December 2020**

Tariq Khan & Co

Chartered Certified Accountants
First Floor
60 Birch Hall Lane
Manchester
M13 0XL

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Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Charity's Legal & Administrative Information

The Executive Committee and the Trustees

President	Hammad Ajmal Khan
Vice President	Bilal Iqbal
General Secretary	Mohammad Umar Qadir
Joint Secretary	Mohammad Junaid Bin Shahid
Treasurer	Sohail Kaushal
Joint Treasurer	Anwar Nawaz - since February 2021
Welfare Officer & Funeral Services	Mohammad Sajeel Amer
Buildings & Maintenance Officer	Mohammad Mustaq Zaidi
Religious Affairs	Syed Javed Hussain Shah

Charity Number	1081649
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Main Office	20 Upper Park Road Victoria Park Manchester M14 5RU
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Auditors	Tariq Khan & Co First Floor 60 Birch Hall Lane Manchester M13 0XL
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Main Bankers	Habib Bank Zurich PLC Showroom d The Point 173-175 Cheetham Hill Road Manchester M8 8LG
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**Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre
Manchester M14 5RU**

Trustees Report

For the year ended 31st December 2020

The Executive Committee being the trustees of the Jamiat (the Charity) present their annual report and the financial statements for the year ended 31st December 2020.

Structure, governance and management

The Charity is governed by its Executive Committee elected every other year. The present management was voted in on 26 July 2020 and it assumed its role since then.

Principal objective and activities

Primary objective and activity of the Charity is provision of religious services and religious education to the Muslims living within Greater Manchester in accordance with the basic tenets of Islam.

Achievement and performance

The Charity is meeting all its major objectives as set. The adjacent land is still used as additional parking for the time being. The revised planning application made to Manchester City Council is still under consideration with some modifications as required by the Council to the original plan. The rest of minor building projects have been accomplished as well as concreting and fencing off the adjacent car parking site for the worshippers and visitors.

Financial review

Financial position of the organisation is healthy and the local community has been very supportive and their co-operation is greatly acknowledged and highly appreciated.

Sources of Income

The main sources of income are from regular collections and donations received under different categories of the funds operated by the Charity. There are four main categories of funds maintained by the Charity which are explained in detail in the notes to the financial statements under each fund heading.

Trustees

The Trustees are very sad to report that their long serving colleague, **Mr Ghulam Rabbani**, passed away on 18 November 2020. May Allah reward him with Janat Firdous for his good services to Mosque over the years.

The trustees who served until 26 July 2020 are stated below.

Ihtiram Khan
Ghulam Ahmed
Tahir Naeem
Qadir Ahmad
Mustaq Zaidi
Faraq Iqbal Malik
Mohammad Ahsan
Mohammad Akram
Arshad Nawaz

The present trustees and office bearers are as set on page 1. **2**

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice and the Charities Statement of Recommended Practice (SORP 2005). The Charities Act 1993 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 surplus or deficit of the charity for that period and of its financial position at the end of year. In preparing these financial statements the trustees are required to:

select suitable accounting policies and then apply them consistently;
make adjustments and estimates that are reasonable and prudent;
state whether applicable accounting standards and statement of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
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 also responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993 and also comply with the Charity's Constitution. 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.

Auditors

Tariq Khan & Co will remain in office as Independent Examiners (under Section 43(7)(b) of the Charities Act 1993 and as auditors under the provisions of the Charity's Constitution until further notice.

This report was approved by the Executive Committee of the Jamiat on 12 May 2022 and signed on its behalf by

President

Hammad Ajmal Khan

Auditors' Report to the Executive Committee of the Majlis-e-Shura of

Jamiat-ul-Muslimeen, the Central Mosque & Islamic Cultural Centre, 20 Upper Park Road Manchester M14 5RU

for the year ended 31 December 2020

We have audited the financial statements of the Jamiat-ul-Muslimeen (the Charity) for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the income and expenditure account and related notes set out on pages 5 to 12. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the Trustees and Auditors

As described in the statement of trustees' responsibilities in the Trustees Report you are responsible as trustees for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on these statements and to report our opinion to you.

We have been appointed as Independent Examiners (under Section 43(7)(b) of the Charities Act 1993 and as auditors under the Jamiat's Constitution and report in accordance with the Act and as auditors under the Jamiat's Constitution.

Basis of Opinion

We have conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurances that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming an opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements are in agreement with those accounting records kept by the Charity and the accounts have been drawn up in a manner consistent with the accounting requirements specified in the Act and give a true and fair view of the state of the Charity's affairs at 31 December 2020 and of its incoming resources and application of resources in the year then ended and have been prepared in accordance with the Jamiat's Constitution and the Charities Act 1993.

Tariq Khan & Co

Chartered Certified Accountants &
Registered Auditors
First Floor
60 Birch Hall Lane
Manchester M13 0XL

Date: 12 May 2022

Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Statement of Financial Activities for the year ended 31 December 2020

		Unrestricted Funds General	Restricted Funds Endowment Building & Education	Special	Zakat & Welfare	Total Funds 2020	Prior Year Total Funds 2019
	Notes	£	£	£	£	£	£
Incoming resources							
Activities for generating funds	2	27380				27380	63365
Voluntary income	2,3,4	<u>211263</u>	<u>0</u>	<u>4765</u>		216028	212795
Charitable activities	5				<u>324899</u>	<u>324899</u>	<u>250983</u>
Total incoming resources		238643	0	4765	324899	568307	527143
Resources expended							
Cost of generating funds	2	71356				71356	67573
Voluntary income	2,3,4	<u>141445</u>	<u>0</u>	<u>5313</u>		146758	197532
Governance costs	3		<u>0</u>			0	0
Charitable activities	5				<u>320150</u>	<u>320150</u>	<u>223330</u>
Total resources expended		212801	0	5313	320150	538264	488435
Net surplus (deficit) for the year		25842	0	-548	4749	30043	38708
Total funds brought forward		<u>117453</u>	<u>387952</u>	<u>45166</u>	<u>173812</u>	<u>724383</u>	<u>685675</u>
Total funds carried forward		143295	387952	44618	178561	754426	724383

Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Total Income and Expenditure account for the year ended 31 December 2020

	31/12/2020	31/12/2019
	£	£
Income		
Income from all sources	568307	527143
Operating expenditure	<u>-538264</u>	<u>-488435</u>
Operating surplus (deficit)	30043	38708
Other income		
Interest receivable and similar income	-	-
Interest payable and similar charges	-	-
Surplus for the financial year	<u>30043</u>	<u>38708</u>

Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Balance Sheet as at 31 December 2020

	Notes	£	31/12/2020 £	£	31/12/2019 £
Fixed Assets					
Tangible Fixed Assets	7		427541		427541
Current Assets					
Cash in hand		19583		12665	
Cash at bank		152437		206611	
Cash at bank 2		46		46	
Cash at bank 3		17		17	
Cash at bank 5		<u>210402</u>		<u>103581</u>	
		382485		322920	
Creditors: Amounts falling due within one year	8	<u>55600</u>		<u>26078</u>	
Net Current Assets/Liabilities			<u>326885</u>		<u>296842</u>
Net Assets			<u>754426</u>		<u>724383</u>

Represented by :

Accumulated funds	9				
Balance at 01/01/2020			724383		685675
Surplus for the year			<u>30043</u>		<u>38708</u>
Total funds at 31/12/2020			<u>754426</u>		<u>724383</u>

Trustees statements required by the 1993 Act and the Constitution of the Jamiat-ul-Muslimeen

We hereby approve and adopt the above Balance Sheet, the annexed Income and Expenditure Account, the statement of financial activities and the notes to the accounts for the year ended 31 December 2020 and confirm that these financial statements give a true and fair view of the state of affairs of the Charity as at the end of financial year and of its surplus or deficit for the year then ended in accordance with the provisions of the Charities Act 1993 and the Constitution of the Jamiat-ul-Muslimeen relating to financial statements, so far as applicable to this Charity.

The financial statements were approved on 12 May 2022

President:-----

General Secretary:-----

Treasurer:-----

Notes to the Accounts for the year ended 31 December 2020

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements have been prepared on the basis of historic cost in accordance with:

- Accounting and Reporting by Charities - Statement of Recommended Practice (SORP 2005);
- and with Accounting Standards;
- and with the Charities Act 1993.

1.2. Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year and no changes were made to the previous year's accounts.

1.3. Incoming resources

All incoming resources are included in the statements of financial activities where the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income from investments is included in the year in which it is receivable.

1.4. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT and is reported as part of the expenditure to which it relates.

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.

1.5. Tangible fixed assets and depreciation

Any capital expenditure is written off in the year it is incurred, except for expenditure on land and buildings, whereas the purchase of freehold land is capitalised and not depreciated as its value at least equates its historic cost. Any expenditure on building element for wear and tear is written off in the year it is incurred. However all land & buildings are adequately insured covering all types of risks and eventualities.

Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Notes to financial statements for the year ended 31 December 2020

	31/12/2020	31/12/2019
	£	£
2. General Funds		
Incoming resources		
Activities for generating funds		
Tuition Fees	19920	61085
Nikkah Fees	<u>7460</u>	<u>2280</u>
Incoming resources from activities	27380	63365
Voluntary income		
Fridays' Collections	54887	126596
Membership Fees	530	1200
Safes' Collections	10095	9414
Other Collections & Donations	98751	34042
HMRC - Job Retention Scheme Claim	40400	0
Eids' Collections	<u>6600</u>	<u>26592</u>
Total voluntary income	<u>211263</u>	<u>197844</u>
Total income	<u>238643</u>	<u>261209</u>
Resources expended		
Cost of activities for generating funds		
Teachers' cost	<u>71356</u>	<u>67573</u>
Total cost of generating funds	71356	67573
Cost of generating voluntary income		
Wages & Salaries	58586	63168
Bought-in Service Charges	15290	10190
Printing, Postage & Stationery	787	1687
Car Park Security Charges	3143	11126
General Expenses	3297	5459
Cleaning & Washroom Supplies	2356	12015
Water Charges	3384	11241
Insurance	2948	2948
Light & Heat	23735	22165
Repairs & Renewal	25938	37244
Telephone Charges	885	825
Bank Charges	<u>1096</u>	<u>622</u>
Total costs for voluntary income	<u>141445</u>	<u>178690</u>
Total costs	<u>212801</u>	<u>246263</u>
Surplus (deficit) for the year	<u>25842</u>	<u>14946</u>

Jamiat-ul-Muslimeen, The Central Mosque & Islamic Cultural Centre Manchester M14 5RU

Notes to financial statements for the year ended 31 December 2020

3. Building & Education Fund		31/12/2020		31/12/2019
	£	£	£	£
Voluntary Income				
Building Collections		<u>0</u>		<u>0</u>
Cost of voluntary income				
Payments to Contractors	0		0	
Legal & Professional	<u>0</u>		<u>0</u>	
		0		0
Governance costs				
Bank charges & interest	<u>0</u>		0	
		<u>0</u>		0
Total costs		<u>0</u>		<u>0</u>
Surplus/(deficit) for the year		<u>0</u>		<u>0</u>

Notes to financial statements for the year ended 31 December 2020

	31/12/2020	31/12/2019
£	£	£
4. Special Fund		
Voluntary Income		
Eid Milad Collection	1477	8209
Moharram Collection	0	0
11th Shareef	<u>3288</u>	<u>6742</u>
	<u>4765</u>	<u>14951</u>
Cost of voluntary income		
Milad Expenses	1880	8360
Moharram	0	0
11th Shareef	<u>3433</u>	<u>10482</u>
Total costs	<u>5313</u>	<u>18842</u>
Surplus/(deficit) for the year	<u>-548</u>	<u>-3891</u>

	31/12/2020	31/12/2019
£	£	£
5. Zakat & Welfare Funds		
Income from charitable activities		
Funeral collections	304950	196493
Disaster Appeals	0	0
Zakat, Sadaqah & Fitrana receipts	<u>19949</u>	<u>54490</u>
	<u>324899</u>	<u>250983</u>
Cost of charitable activities		
Funeral payments	277100	186505
Disaster Relief payments	0	0
Zakat, Sadaqah & Fitrana payments	<u>43050</u>	<u>36825</u>
	<u>320150</u>	<u>223330</u>
Surplus for the year	<u>4749</u>	<u>27653</u>

Notes to financial statements for the year ended 31 December 2020

6. Taxation

The charity's activities fall within the exemptions afforded by the provisions of Income & Corporation Taxes Act 1988. Accordingly there is no taxation charges per these accounts.

7. Tangible fixed assets

	Freehold Land £	Total £
Cost at 1 January 2020	<u>427541</u>	<u>427541</u>
At 31 December 2020	<u>427541</u>	<u>427541</u>

8. Creditors: Amounts falling due within one year

	31/12/2020 £	31/12/2019 £
Sundry creditors & accruals	<u>54600</u>	<u>26078</u>

9. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Funds balance at 31/12/2020 as represented by:			
Tangible fixed assets	-	427541	427541
Current assets	154644	227841	382485
Current liabilities	<u>-11349</u>	<u>-44251</u>	<u>-55600</u>
	<u>143295</u>	<u>611131</u>	<u>754426</u>

Notes to the Accounts for the year ended 31st December 2020

9. Accumulated Funds maintained by the Charity

Unrestricted Funds - General

These are revenue funds which are used for running the day to day affairs of the Jamiat and their income is derived from Friday collections, Eids collections, children's tuition fees from education centres run by the Jamiat and the membership fees etc. These funds are sometimes used to make capital payments for the building works if the Buildings Fund is in short of funds to settle a bill. Any such payments by this fund is treated as inter fund transfers. Basically this is an unrestricted income fund.

Restricted Funds

Buildings & Education

Originally set up in 1996 for the purposes of extension to then existing premises and now used to purchase the adjacent land and eventually constructing a purpose built building on it to meet the future educational needs of Muslim community in Manchester. This is an endowment fund comprising both expendable and permanent funds and can be construed as a restricted fund as the monies collected under this are for building expenditure (both capital and revenue) and cannot be used for any other purposes. Again its income is derived from general donations and collections being made at various occasions and gatherings inside and outside the mosque. **This fund is now redundant as much is not collected under this heading.**

Special Fund

This fund is used to arrange for proper celebration of religious occasions such as the Eid Milad (the birth of Holy Prophet Muhammad PBUH on the 11th day of 3rd Lunar Calendar month of Rabi-ul-Awwal), the Moharram (the martyrdom of grandson of Holy Prophet – Hadhrat Imam Hussain on the 10th day of the first Lunar Calendar month of Moharram) and the 11th Sharif (monthly gathering of followers of the Sufi Saint Sheikh Abdul Qadir Jilani of Baghdad for self purification and remembrance of God the Almighty). As this gathering is on the 11th day of each Lunar Calendar month, thus the term 11th Sharif (sharif means the honoured). There are some other similar religious occasions, which are funded by this fund.

This is a restricted income fund, however any monies collected for one occasion can be utilised for the other within the fund. However no payments can be made out of this fund towards other funds operated by the Jamiat which would amount to a breach of covenant of this fund.

Zakat and Welfare

This fund is strictly governed by the principles of the Hanfi School of Islamic Jurisprudence under Islamic Sharia. Its main income is Fitrana, which is collected during the 9th Lunar Calendar month of Ramadhan (month of fasting) and on the day of Eid-ul-Fitr marking the end of Ramadhan. A set amount of Fitrana per head (regardless of age and gender) is prescribed by the Muslim Scholars living in the UK, which varies each year. Generally speaking it takes into account the general price inflation. The amount prescribed must be paid before offering the Eid prayers to provide for the less fortunate and the needy on the day of Eid. The term Fitrana comes from Eid-ul-Fitr.

The second source of income to this fund is Zakat (Islamic Alms & charity). This is a yearly contribution, which is a 2.5% of Zakatable assets held for a full year. The rules are very complicated and majority of people pay themselves without involving a 3rd party. Therefore not much is received and administered by the Jamiat.

The third source is Sadaqah (a voluntary contribution as a gesture of thanksgiving to the Almighty for giving good health and His blessings). It is used to help the poor and the needy. Again Muslims practice this individually and not much is received and administered by the Jamiat.

The last and final fund operated under this heading is the Funeral Services which used to be operated under general funds. However it was decided to reclassify this source as a restricted fund as the income from this source should not be used to pay for the running costs of the mosque as it would be ethically wrong to do so.

All monies to this fund are disposed of in accordance with the rules of Islamic Sharia and come under restricted income funds.

