

Maahadus Shuhada Trust

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 December 2020

Maahadus Shuhada Trust
Contents Page
For the year ended 31 December 2020

| | |
|---|---------|
| Report of the Trustees | 1 to 3 |
| Independent Examiner's Report to the Trustees | 4 |
| Statement of Financial Activities | 5 |
| Statement of Financial Position | 6 |
| Notes to the Financial Statements | 7 to 11 |
| Detailed Statement of Financial Activities | 12 |

Maahadus Shuhada Trust
Report of the Trustees
For the year ended 31 December 2020

The Trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31 December 2020. 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Location:

The charity is based in the beautiful vibrant city of Preston, Lancashire. This property itself is close to the Preston North End Football ground, Moor Park, University Of Central Lancashire and Deepdale Retail Park.

The building is used for five times daily prayers, Friday prayers, Eid prayers and for other religious activities such as marriage ceremonies and Quranic recitals. The building caters for muslims from the Deepdale area of Preston, however, many muslims from around Preston come to use the facilities. Many visitors and guests from other parts of the UK also use the prayer facilities for their five times daily prayers when visiting Preston. The building caters for muslim worshippers from different backgrounds, ethnicities and it holds lectures for men and women alike.

The institution has strong links with many local primary schools and high schools, and works very well with other organisations at community level.

Objectives and aims:

The main objective being is to promote good moral standards and spiritual guidance, within the community and to create harmony within a multi-cultural society. The day to day operations of the charity is managed by the trustees as set out in the Trust Deed.

Our aim is to provide a prayer facility where fellow Muslims can worship peacefully. This would be for all the inhabitants of Preston and the surrounding areas. Our long-term ambition is to help build community relations and also to help make the area peaceful, vibrant and harmonious.

Objectives and aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities:

Mahadus Shuhada was established with principal objectives to create harmony within the community and carries out a range of activities for the benefit of worshippers within the community. The activities undertaken at the charity are mainly prayers, spiritual lectures, youth projects, community cohesion work etc. Fund raising also takes place for various local, national and world charities.

The trustees would like to thank everyone for all that they have done over the last year during the Covid crisis and recognise just how strenuous and demanding it has been. The commitment, determination and agility that everyone has shown during the last exhausting year has been nothing short of astonishing.

It has been really heart-warming to see how much everyone has worked together as a community and how we have genuinely embedded the values of inclusivity, openness, fairness, respect and caring that are the pillars of our faith.

FINANCIAL REVIEW

Reserves

It is the policy of the charity to maintain unrestricted funds at a level which equates to approx 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at above this level throughout the year.

Principal funding sources:

The principal funding source remains donations from the community. This financial year's donations have increased substantially compared to previous years' reduction due to some donor fatigue. All expenses remain pretty consistent to previous years. The institution continues to have a sound financial platform for future progress and development.

Future developments:

The mosque has inadequate spacing for youth and adult activities, therefore the future plan is to extend the building to accommodate further activities for the youth and adults.

Maahadus Shuhada Trust
Report of the Trustees Continued
For the year ended 31 December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The trust is an unincorporated trust, constituted under a trust deed dated 23rd May 2001 as amended by supplemental deed dated 24th January 2002 and is a registered charity, number 1091265

The trust was established to promote the advancement of education/learning and the advancement of Islamic faith particularly by establishing and operating an institution.

Recruitment and appointment of trustees

The trustees are appointed by the board of trustees. The trust deed provides for six trustees. The principal for the time being of the institution if not otherwise a trustee shall be additional trustee ex-officio. The appointment of trustees is vested in the continuing trustees (excluding any retiring Trustees). The appointment of imam's and any other persons required for the running of the charity is in the hands of the trustees.

Induction and training of new trustees:

There are informal procedures for induction and training of new trustees. Trustees are also encouraged to attend external briefings and training courses.

Organisational structure:

The trustees may from time to time make such rules and regulations in their absolute discretion think fit for the management of the Institution and may at any time vary such rules and regulations. At trustees' meetings each term the trustees agree the area of activity for the trust, policies and performance.

Risk management:

The trustees continue to monitor and review risks which the charity is exposed to and where necessary control and implement systems and procedures to manage those risks.

REFERENCE AND ADMINISTRATIVE INFORMATION

| | |
|------------------------------------|---|
| Name of Charity | Maahadus Shuhada Trust |
| Charity registration number | 1091265 |
| Principal address | 214 Deepdale Road Preston Lancashire PR1 6QB |

Trustees

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

Mr Faisal Mahmood Timol
Mr Hifzurrehman Hassan
Mr Mohamed Shoeb Aiyub Nakhuda
Mr Shoeb Desai
Mr Zakaria Issack Desai
Mr Ebrahim Desai
Mr Mohmed Juned Desai

Independent examiners

Salim Hajee
251 Derby Street
Bolton
BL3 6LA

Maahadus Shuhada Trust
Report of the Trustees Continued
For the year ended 31 December 2020

Bankers

National Westminster Bank Plc
Ramsbottom Branch
15 Bridge Street
Ramsbottom
Bury Lancashire
BL0 9WN

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

..... 20 December 2022
Mr Zakaria Issack Desai

Maahadus Shuhada Trust
Independent Examiners Report to the Trustees
For the year ended 31 December 2020

I report to the trustees on my examination of the accounts of the charity for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiners statement

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 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.

Adam & Co Accountants Limited

Salim Hajee
251 Derby Street
Bolton
BL3 6LA

20 December 2022

Maahadus Shuhada Trust
Statement of Financial Activities
For the year ended 31 December 2020

| | Notes | Unrestricted funds £ | 2019 £ |
|------------------------------------|-------|-------------------------|-----------------|
| Income and endowments from: | | | |
| Donations and legacies | 2 | 234,477 | 94,483 |
| Charitable activities | 3 | 5,362 | 6,359 |
| Total | | 239,839 | 100,842 |
| Expenditure on: | | | |
| Raising funds | 4 | (48,385) | (44,429) |
| Charitable activities | 5/6 | (300) | - |
| Total | | (48,685) | (44,429) |
| Net income | | 191,154 | 56,413 |
| Reconciliation of funds | | | |
| Total funds brought forward | | 879,125 | 822,710 |
| Total funds carried forward | | 1,070,279 | 879,123 |

Maahadus Shuhada Trust
Statement of Financial Position
As at 31 December 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 1,179,640 | 1,183,753 |
| | | 1,179,640 | 1,183,753 |
| Current assets | | | |
| Debtors | 11 | 124 | 562 |
| Cash at bank and in hand | | 182,220 | 41,551 |
| | | 182,344 | 42,113 |
| Creditors: amounts falling due within one year | 12 | (2,126) | (2,162) |
| Net current assets | | 180,218 | 39,951 |
| Total assets less current liabilities | | 1,359,858 | 1,223,704 |
| Creditors: amounts falling due after more than one year | 13 | (289,580) | (344,577) |
| Net assets | | 1,070,278 | 879,127 |
| The funds of the charity | | | |
| Unrestricted income funds | 14 | 1,070,279 | 879,123 |
| Total funds | | 1,070,279 | 879,123 |

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

.....
Mr Zakaria Issack Desai
Trustee
20 December 2022

Maahadus Shuhada Trust
Notes to the Financial Statements
For the year ended 31 December 2020

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 (FRS 102), and the Charities Act 2011.

Maahadus Shuhada Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

| | |
|-----------------------|-------------------|
| Plant and machinery | 20% Straight line |
| Fixtures and fittings | 20% Straight line |

2. Income from donations and legacies

| | 2020 £ | 2019 £ |
|---------------------------|----------------|---------------|
| Unrestricted funds | | |
| Donations received | 230,668 | 94,483 |
| Grants received | 3,809 | - |
| | 234,477 | 94,483 |

3. Income from charitable activities

| | 2020 £ | 2019 £ |
|---------------------------|-----------|-----------|
| Unrestricted funds | | |
| <i>Rent</i> | | |
| Other Income | 5,362 | 6,359 |

Maahadus Shuhada Trust
Notes to the Financial Statements Continued
For the year ended 31 December 2020

4. Expenditure on generating donations and legacies

| | 2020 | 2019 |
|---------------------------|---------------|---------------|
| | £ | £ |
| Unrestricted funds | | |
| Support costs | 48,385 | 44,429 |
| | 48,385 | 44,429 |

5. Costs of charitable activities by fund type

| | 2020 | 2019 |
|---------------------------|-------------|-------------|
| | £ | £ |
| Unrestricted funds | | |
| Support costs | 300 | - |

6. Costs of charitable activities by activity type

| | 2020 | 2019 |
|------|-------------|-------------|
| | £ | £ |
| Rent | 300 | - |

7. Analysis of support costs

| | 2020 | 2019 |
|-------------------------|---------------|---------------|
| | £ | £ |
| Voluntary Income | | |
| Wages | 22,517 | 22,006 |
| Rates and Water | 5,293 | 4,778 |
| Insurance | 670 | 659 |
| Light and Heat | 11,102 | 12,287 |
| Books & School Trips | 4,318 | - |
| Post and Stationery | 222 | 529 |
| Depreciation | 4,113 | 4,170 |
| Support cost 8 | 150 | - |
| Governance costs | 300 | - |
| | 48,685 | 44,429 |

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Maahadus Shuhada Trust
Notes to the Financial Statements Continued
For the year ended 31 December 2020

8. Staff costs

Total staff costs for the year ended 31 December 2020 were:

| | 2020 £ | 2019 £ |
|--------------------|---------------|---------------|
| Salaries and wages | 22,517 | 22,006 |
| | <u>22,517</u> | <u>22,006</u> |

| | 2020 | 2019 |
|-------------|----------|----------|
| Admin Staff | 3 | 3 |
| | <u>3</u> | <u>3</u> |

9. Comparative for the Statement of Financial Activities

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

10. Tangible fixed assets

| Cost or valuation | Land and buildings £ | Plant and machinery £ | Fixtures and fittings £ | Total £ |
|------------------------|----------------------------|-----------------------------|-------------------------------|------------------|
| At 01 January 2020 | 1,172,242 | 3,270 | 26,507 | 1,202,019 |
| At 31 December 2020 | <u>1,172,242</u> | <u>3,270</u> | <u>26,507</u> | <u>1,202,019</u> |
| Depreciation | | | | |
| At 01 January 2020 | - | 2,896 | 15,370 | 18,266 |
| Charge for year | - | 374 | 3,739 | 4,113 |
| At 31 December 2020 | <u>-</u> | <u>3,270</u> | <u>19,109</u> | <u>22,379</u> |
| Net book values | | | | |
| At 31 December 2020 | <u>1,172,242</u> | <u>-</u> | <u>7,398</u> | <u>1,179,640</u> |
| At 31 December 2019 | <u>1,172,242</u> | <u>374</u> | <u>11,137</u> | <u>1,183,753</u> |

11. Debtors

| | 2020 £ | 2019 £ |
|-------------------------------------|------------|------------|
| Amounts due within one year: | | |
| Prepayments and accrued income | 124 | 562 |
| | <u>124</u> | <u>562</u> |

Maahadus Shuhada Trust
Notes to the Financial Statements Continued
For the year ended 31 December 2020

12. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------|--------------|--------------|
| | £ | £ |
| Other creditors | 516 | 343 |
| Accruals and deferred income | 1,610 | 1,819 |
| | 2,126 | 2,162 |

13. Creditors: amounts falling due after more than one year

| | 2020 | 2019 |
|-----------------|----------------|----------------|
| | £ | £ |
| Other creditors | 289,580 | 344,577 |
| | 289,580 | 344,577 |

14. Movement in funds

Unrestricted Funds

| | Balance at 01/01/2020 | Incoming resources | Outgoing resources | Balance at 31/12/2020 |
|----------------|----------------------------------|-------------------------------|-------------------------------|----------------------------------|
| | £ | £ | £ | £ |
| <i>General</i> | | | | |
| General | 879,125 | 239,839 | (48,685) | 1,070,279 |
| | 879,125 | 239,839 | (48,685) | 1,070,279 |

Unrestricted Funds - Previous year

| | Balance at 01/01/2019 | Incoming resources | Outgoing resources | Balance at 31/12/2019 |
|----------------|----------------------------------|-------------------------------|-------------------------------|----------------------------------|
| | £ | £ | £ | £ |
| <i>General</i> | | | | |
| General | 822,710 | 100,842 | (44,429) | 879,123 |
| | 822,710 | 100,842 | (44,429) | 879,123 |

Purpose of unrestricted Funds

General

The trustees are free to use unrestricted funds in accordance with charitable objectives.

Maahadus Shuhada Trust
Notes to the Financial Statements Continued
For the year ended 31 December 2020

15. Analysis of net assets between funds

| | Tangible fixed assets | Net current assets / (liabilities) | Creditors > one year | Net Assets |
|---------------------------|--------------------------|--|-------------------------|------------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| <i>General</i> | | | | |
| General | 1,179,640 | 180,218 | (289,580) | 1,070,278 |
| | 1,179,640 | 180,218 | (289,580) | 1,070,278 |
| Previous year | | | | |
| | Tangible fixed assets | Net current assets / (liabilities) | Creditors > one year | Net Assets |
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| <i>General</i> | | | | |
| General | 1,183,753 | 39,951 | (344,577) | 879,127 |
| | 1,183,753 | 39,951 | (344,577) | 879,127 |

Maahadus Shuhada Trust
Detailed Statement of Financial Activities
For the year ended 31 December 2020

| | 2020 £ | 2019 £ |
|---------------------------------|-----------------|-----------------|
| INCOME AND ENDOWMENT | | |
| Donations and legacies | | |
| Donations | 230,668 | 94,483 |
| Grants receivable | 3,809 | - |
| | 234,477 | 94,483 |
| Charitable activities | | |
| Other Income | 5,362 | 6,359 |
| | 5,362 | 6,359 |
| Total incoming resources | 239,839 | 100,842 |
| SUPPORT COSTS | | |
| Wages | | |
| Staff costs - wages & salaries | (22,517) | (22,006) |
| | (22,517) | (22,006) |
| Rates and Water | | |
| Rates and Water | (5,293) | (4,778) |
| | (5,293) | (4,778) |
| Insurance | | |
| Insurance | (670) | (659) |
| | (670) | (659) |
| Light and Heat | | |
| Light and Heat | (11,102) | (12,287) |
| | (11,102) | (12,287) |
| Books & School Trips | | |
| Books & School Trips | (4,318) | - |
| | (4,318) | - |
| Post and Stationery | | |
| Post and Stationery | (222) | (529) |
| | (222) | (529) |
| Depreciation | | |
| Depreciation | (4,113) | (4,170) |
| | (4,113) | (4,170) |
| Support cost 8 | | |
| Telephone | (150) | - |
| | (150) | - |
| Governance costs | | |
| Legal fees | (300) | - |
| | (300) | - |
| Total resources expended | (48,685) | (44,429) |
| Net Income | 191,154 | 56,413 |