

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

England & Wales · Charity number 1110135

## Details

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Other names	SHEFFIELD ISLAMIC CENTRE MEDINA MASJID TRUST, SIC MADINA MASJID
Status	Registered
Legal form	Charitable company
Company number	05386816
Registered	2005-06-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	24 Wolseley Road Sheffield S8 0ZU
Phone	01142585021
Email	<a href="mailto:admin@madinamasjid.org.uk">admin@madinamasjid.org.uk</a>
Website	<a href="http://www.madinamasjid.org.uk">www.madinamasjid.org.uk</a>

## Activities

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**Objects:** 3.1) TO PROMOTE BY SUCH MEANS AS ARE CHARITABLE, THE ADVANCEMENT OF THE FAITH OF ISLAM IN ACCORDANCE WITH THE TENETS AND DOCTRINES OF THE HANFIA (BRALVIA) SCHOOL OF THOUGH; AND 3.2) TO RELIEVE POVERTY, AGE AND ILLNESS AMONGST THE INHABITANTS OF SOUTH SHEFFIELD (THE "AREA OF BENEFIT") (AND IN PARTICULAR THOSE INHABITANTS WHO ARE OF THE MUSLIM FAITH OR WHO ARE IN NEED BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES) THROUGH THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE AND FOR LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE OF THE SAID INHABITANTS.

**Activities:** The charity activities at present are as follows - (1) provide and maintain a school for general Islamic education of children; (2) facilities for education of adults; (3) facilities and services for congregational prayers for men, women and children and; (3) developing social and welfare service for the elderly.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Religious Activities
- **Who:** Children/young People, Elderly/old People, People Of A Particular Ethnic Or Racial Origin

## Geography

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- **Area of benefit:** SOUTH SHEFFIELD, SOUTH YORKSHIRE
- Sheffield City

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£196,369	£171,482	-	-
2023-12-31	£214,943	£184,931	-	-
2022-12-31	£161,662	£155,189	-	-
2021-12-31	£222,055	£148,206	-	-
2020-12-31	£148,854	£115,864	-	-

## Trustees

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Name	Role	Appointed
Afseer Ahmed Shaheen		2026-01-09
HAJI MOHAMMAD NAZIR		
QURBAN HUSSAIN		
SABIR HUSSAIN		

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

England & Wales - Charity number 1110135

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# Accounts

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**Charity registration number 1110135 (England and Wales)**

**Company registration number 05386816**

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and directors</b>	H M Nazir OBE Q Hussain S Hussain M Yaqub
<b>Director</b>	Gulnawaz Khan
<b>Secretary</b>	H N Khan
<b>Charity number</b>	1110135
<b>Company number</b>	05386816
<b>Registered office</b>	Madina Masjid Trust 24 Wolseley Road Sheffield S8 0ZU
<b>Independent examiner</b>	Grant Wade BA ACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
<b>Bankers</b>	HSBC Bank plc 40 Fishergate Preston Lancashire PR1 2AD

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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

### **Objectives and activities**

The trust's objects are:

- (i) to promote, by such means as are charitable, the advancement of the faith of Islam in accordance with the tenets and doctrines of the Hanfia (Bralvia) school of thought; and
- (ii) to relieve poverty, age and illness amongst the inhabitants of South Sheffield (the "area of benefit") (and in particular those inhabitants who are of the Muslim faith or who are in need by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances) through the provision of facilities in the interests of social welfare and for leisure time occupation with the object of improving the conditions of life of the said inhabitants.

During the year under review, the Charity's key objectives were:

- (i) to help the individual reform, purify and pursue his or her life in keeping with the Islamic methods, and in particular to help and guide the believers in Islam (in accordance with the Hanfia (Bralvia) school of thought);
- (ii) to provide proper facilities for congregational prayers for men, women and children through the establishment of a Mosque with specific facilities and services for Muslim women;
- (iii) to advance Islamic education by providing and maintaining a school for Islamic general education of Muslim children and providing facilities for education of Muslim adults (and in particular women);
- (iv) to advance the education of the public in Islamic studies, particularly, but without prejudice to the foregoing, by the provision of classes and workshops in Islamic history, law and art and provide an Islamic library;
- (v) to respond to emerging social and charitable needs affecting the local community in areas such as education and social welfare.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake. The Committee believes that by promoting the work of the Charity, it helps to advance public knowledge, understanding and appreciation of the Muslim faith.

### **Achievements and performance**

#### **Financial review**

Financial management is the principal legal responsibility of Mr. Gulnawaz Khan, the Honorary Treasurer. The Joint Committee Treasurers, Mr Ibrar Khan and Mr Karamat Hussain, perform day-to-day book-keeping duties. The Charity operates a bank account with HSBC Bank Plc. Potential financial risks have been identified and reviewed by the Trustees and Committee.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three 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 trust's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2024, the value of such reserves was £199,275 (2023: £380,681) which exceeds three months' normal expenditure.

The designated funds in the accounts represent the net book value of tangible fixed assets. These funds will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### Structure, governance and management

The trust is a company limited by guarantee which was incorporated on 9 March 2005. It is governed by its Memorandum and Articles of Association dated 6 April 2005, as amended by a special resolution dated 14 June 2005. Each member of the company is required to contribute an amount not exceeding £10 should the company be wound up while they are a member, or within a year after they cease to be a member.

The charity operates from its premises at Wolseley Road, Sheffield, and is independent of any other or similarly named organisations.

The Charity operates a two-tier management structure. The Trustees are both charity trustees and company directors. In addition to having legal responsibilities within charity and company law, the Trustees have responsibilities to ensure the Charity works within its aims and principles to provide the best possible service for its users and for the local community. The Trustees also have responsibilities as an employer and delegate tasks in the day to day running of the Charity to the Committee.

The Committee consists of 10 members and includes a Chair, Vice-Chair, Minutes Secretary, Treasurer (book-keeper) and Education Manager who are all unpaid and elected by the members at each AGM and reports all its activities to the Trustees. Committee members serve until the next AGM following their election when they shall resign but may offer themselves for re-election. No Committee member serves for a period of more than three consecutive years.

The Committee, under the direction of the Trustees, undertakes the day-to-day management of the Charity's premises, such as security, caretaking and cleaning (provided no financial transaction above the value of £500 is undertaken by the Committee without the authorising signature of a nominated Trustee); and arranges for and supervises religious education. It reports to the Trustees on all matters relating to the Charity's activities including finance, staffing, education and future priorities and actions.

Chair of the Management Committee is Mr A Shaheen; Vice-Chair Mr T Mahmood; Secretary Mr Z Khan; Joint Committee Treasurers Mr Ibrar Khan and Mr Karamat Hussain; the Education Manager is Mr. A Razzaq.

The trustees, most of whom are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Haji Mohammad Nazir OBE	Director and trustee
Sabir Hussain	Director and trustee
Mohammed Yaqub	Director and trustee
Qurban Hussain	Director and trustee
Gulnawaz Khan	Director and Honorary Treasurer

When complete, the Trustees consist of:

- four "Guardian Trustees", being the first four subscribers to the Memorandum;
- a Company Secretary and an honorary Treasurer co-opted by the Guardian Trustees.

The Charity may increase or reduce the maximum number of trustees by passing an ordinary resolution, provided that the number is not reduced to below three. In addition, the members of the Charity must appoint four persons to be "secondary Guardian Trustees" for the Charity. Such persons will not be Trustees on appointment but any one of them is entitled to be appointed as Guardian Trustee on the death, retirement or removal of a Guardian Trustee.

New Trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity. All Trustees are required to sign a declaration of their willingness to act as Trustee before they can vote in any meetings.

### Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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

  
H M Nazir OBE  
Trustee

19 September 2025

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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I report to the trustees on my examination of the financial statements of Sheffield Islamic Centre Madina Masjid Trust (the trust) for the year ended 31 December 2024.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

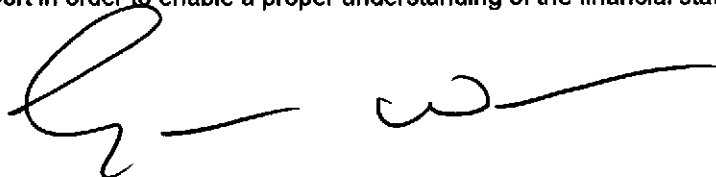
#### **Independent examiner's statement**

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 trust as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Grant Wade BA ACA  
Wells Richardson  
Cannon House  
Rutland Road  
Sheffield  
South Yorkshire  
S3 8DP



Dated: 23 September 2025

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total Unrestricted funds general 2024 £	Unrestricted funds designated 2023 £	Total 2023 £
<b>Income from:</b>						
Donations and legacies	3	158,369	-	158,369	186,743	186,743
Other trading activities	4	38,000	-	38,000	28,200	28,200
<b>Total income</b>		<b>196,369</b>	<b>-</b>	<b>196,369</b>	<b>-</b>	<b>214,943</b>
<b>Expenditure on:</b>						
Charitable activities	5	171,482	-	171,482	184,931	184,931
<b>Net incoming resources before transfers</b>		<b>24,887</b>	<b>-</b>	<b>24,887</b>	<b>30,012</b>	<b>30,012</b>
Gross transfers between funds		(206,293)	206,293	-	(10,378)	10,378
<b>Net (expenditure)/income for the year/</b>						
<b>Net movement in funds</b>		<b>(181,406)</b>	<b>206,293</b>	<b>24,887</b>	<b>19,634</b>	<b>30,012</b>
Fund balances at 1 January 2024		380,681	5,047,538	5,428,219	361,047	5,037,160
<b>Fund balances at 31 December 2024</b>		<b>199,275</b>	<b>5,253,831</b>	<b>5,453,106</b>	<b>380,681</b>	<b>5,428,219</b>

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		5,253,831		5,047,538
<b>Current assets</b>					
Debtors	12	5,800		3,980	
Cash at bank and in hand		205,546		389,860	
		<u>211,346</u>		<u>393,840</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(12,071)</u>		<u>(13,159)</u>	
<b>Net current assets</b>			<u>199,275</u>		<u>380,681</u>
<b>Total assets less current liabilities</b>			<u>5,453,106</u>		<u>5,428,219</u>
<b>Income funds</b>					
Designated funds	15		5,253,831		5,047,538
Unrestricted funds - general			199,275		380,681
			<u>5,453,106</u>		<u>5,428,219</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 19 September 2025

  
H M Nazir OBE  
Trustee

Company Registration No. 05386816

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

#### Charity information

Sheffield Islamic Centre Madina Masjid Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Madina Masjid Trust, 24 Wolseley Road, Sheffield, S8 0ZU.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the trust. 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.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

#### 1.3 Charitable funds

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

Designated funds are those funds set aside out of general funds by the trustees for a specific purpose over whose use and purpose the trustees have discretion

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 trust.

#### 1.4 Income

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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 trust 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they cost more than £200 and can be used for more than one year. They 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	0%
Leasehold land and buildings	0%
Fixtures and fittings	20% straight line

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.

In accordance with Financial Reporting Standard 102 land is not depreciated. Buildings have been included at cost when acquired during the year. No depreciation is provided on freehold or leasehold land and buildings. It is the policy of the Trustees to maintain its properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The trustees perform annual impairment reviews in order to ensure that the carrying value is not more than the recoverable amount.

Although this accounting policy is in accordance with applicable accounting standards, it is a departure from the general requirement of the Companies Act 2006 for all fixed assets to be depreciated. In the opinion of the trustees compliance with the standard is not necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.7 Impairment of fixed assets

At each reporting end date, the trust 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).

#### 1.8 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 1 Accounting policies

(Continued)

#### **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.

#### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Donations and gifts	158,369	186,743
<b>Donations and gifts</b>		
Collection donations	15,398	13,755
Collection Mosque	142,971	172,988
	158,369	186,743

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Letting and licensing arrangements	38,000	28,200

### 5 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
<b>Direct costs</b>		
Staff costs	32,509	32,870
Depreciation and impairment	9,223	8,622
Telephone	1,945	1,551
Insurance	16,522	17,503
Water rates	6,735	6,444
Speakers and consultancy fees	9,245	17,905
Printing, postage and stationery	1,587	1,126
Bank charges	628	792
Light and heat	46,951	46,874
Health and safety	2,788	3,783
Repairs and renewals	28,625	28,896
Leasing of office equipment	1,509	1,527
Marketing, publicity and education	4,127	5,932
Cleaning	6,862	6,906
Legal and professional fees	1,266	3,120
	<u>170,522</u>	<u>183,851</u>
<b>Share of support and governance costs (see note 6)</b>		
Governance	960	1,080
	<u>171,482</u>	<u>184,931</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	<u>171,482</u>	<u>184,931</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

<b>6</b>	<b>Support costs allocated to activities</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	Governance costs	960	1,080
		<u>          </u>	<u>          </u>
	<b>Analysed between:</b>		
	Charitable activities	960	1,080
		<u>          </u>	<u>          </u>
		<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	<b>Governance costs comprise:</b>		
	Independent examination fees	960	1,080
		<u>          </u>	<u>          </u>
		<u>960</u>	<u>1,080</u>
<b>7</b>	<b>Net movement in funds</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the independent examination of the charity's financial statements	-	-
	Depreciation of owned tangible fixed assets	9,223	8,622
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Trustees</b>		
	None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.		
<b>9</b>	<b>Employees</b>		
	The average monthly number of employees during the year was:		
		<b>2024</b>	<b>2023</b>
		<b>Number</b>	<b>Number</b>
		2	2
		<u>          </u>	<u>          </u>
	<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	31,947	32,394
	Other pension costs	562	476
		<u>          </u>	<u>          </u>
		<u>32,509</u>	<u>32,870</u>

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

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2024	4,504,690	519,531	317,981	5,342,202
Additions	29,928	180,323	5,265	215,516
	<u>4,534,618</u>	<u>699,854</u>	<u>323,246</u>	<u>5,557,718</u>
<b>At 31 December 2024</b>				
<b>Depreciation and impairment</b>				
At 1 January 2024	-	-	294,664	294,664
Depreciation charged in the year	-	-	9,223	9,223
	<u>-</u>	<u>-</u>	<u>303,887</u>	<u>303,887</u>
<b>At 31 December 2024</b>				
<b>Carrying amount</b>				
At 31 December 2024	<u>4,534,618</u>	<u>699,854</u>	<u>19,359</u>	<u>5,253,831</u>
At 31 December 2023	<u>4,504,690</u>	<u>519,531</u>	<u>23,317</u>	<u>5,047,538</u>

### 12 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	1,300	-
Prepayments and accrued income	4,500	3,980
	<u>5,800</u>	<u>3,980</u>

### 13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	141	438
Other creditors	-	2,400
Accruals and deferred income	11,930	10,321
	<u>12,071</u>	<u>13,159</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	<u>562</u>	<u>476</u>

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

### 15 Unrestricted funds - Designated

These are designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Transfers	At 31 December 2024
	£	£	£
Tangible fixed assets	<u>5,047,538</u>	<u>206,293</u>	<u>5,253,831</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Transfers</b>	<b>At 31 December 2023</b>
	£	£	£
Tangible fixed assets	<u>5,037,160</u>	<u>10,378</u>	<u>5,047,538</u>

These funds represent the net book value of tangible fixed assets which will be reduced over the useful economic life in line with depreciation.

### 16 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.

	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
General funds	<u>380,681</u>	<u>196,369</u>	<u>(171,482)</u>	<u>(206,293)</u>	<u>199,275</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
General funds	<u>361,047</u>	<u>214,943</u>	<u>(184,931)</u>	<u>(10,378)</u>	<u>380,681</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 17 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds Designated 2024 £	Total 2024 £
<b>At 31 December 2024:</b>			
Tangible assets	-	5,253,831	5,253,831
Current assets/(liabilities)	199,275	-	199,275
	<u>199,275</u>	<u>5,253,831</u>	<u>5,453,106</u>
	<u><u>199,275</u></u>	<u><u>5,253,831</u></u>	<u><u>5,453,106</u></u>
	Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Total 2023 £
<b>At 31 December 2023:</b>			
Tangible assets	-	5,047,538	5,047,538
Current assets/(liabilities)	380,681	-	380,681
	<u>380,681</u>	<u>5,047,538</u>	<u>5,428,219</u>
	<u><u>380,681</u></u>	<u><u>5,047,538</u></u>	<u><u>5,428,219</u></u>

### 18 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

England & Wales - Charity number 1110135

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# Accounts

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**Charity registration number 1110135**

**Company registration number 05386816 (England and Wales)**

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and directors</b>	H M Nazir OBE Q Hussain S Hussain M Yaqub
<b>Director</b>	Gulnawaz Khan
<b>Secretary</b>	H N Khan
<b>Charity number</b>	1110135
<b>Company number</b>	05386816
<b>Registered office</b>	Madina Masjid Trust 24 Wolseley Road Sheffield S8 0ZU
<b>Independent examiner</b>	Grant Wade BA ACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
<b>Bankers</b>	HSBC Bank plc 40 Fishergate Preston Lancashire PR1 2AD

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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The trust's objects are:

- (i) to promote, by such means as are charitable, the advancement of the faith of Islam in accordance with the tenets and doctrines of the Hanfia (Bralvia) school of thought; and
- (ii) to relieve poverty, age and illness amongst the inhabitants of South Sheffield (the "area of benefit") (and in particular those inhabitants who are of the Muslim faith or who are in need by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances) through the provision of facilities in the interests of social welfare and for leisure time occupation with the object of improving the conditions of life of the said inhabitants.

During the year under review, the Charity's key objectives were:

- (i) to help the individual reform, purify and pursue his or her life in keeping with the Islamic methods, and in particular to help and guide the believers in Islam (in accordance with the Hanfia (Bralvia) school of thought);
- (ii) to provide proper facilities for congregational prayers for men, women and children through the establishment of a Mosque with specific facilities and services for Muslim women;
- (iii) to advance Islamic education by providing and maintaining a school for Islamic general education of Muslim children and providing facilities for education of Muslim adults (and in particular women);
- (iv) to advance the education of the public in Islamic studies, particularly, but without prejudice to the foregoing, by the provision of classes and workshops in Islamic history, law and art and provide an Islamic library;
- (v) to respond to emerging social and charitable needs affecting the local community in areas such as education and social welfare.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake. The Committee believes that by promoting the work of the Charity, it helps to advance public knowledge, understanding and appreciation of the Muslim faith.

#### **Achievements and performance**

##### **Financial review**

Financial management is the principal legal responsibility of Mr. Gulnawaz Khan, the Honorary Treasurer. The Joint Committee Treasurers, Mr Ibrar Khan and Mr Karamat Hussain, perform day-to-day book-keeping duties. The Charity operates a bank account with HSBC Bank Plc. Potential financial risks have been identified and reviewed by the Trustees and Committee.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three 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 trust's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2023, the value of such reserves was £380,681 (2022: £361,047) which exceeds three months' normal expenditure.

During the year, the charity has made the following payments to charities from monies raised for separate appeals:

UK Islamic Mission	£1,136
St Lukes	£1,760
Turkey Earthquake appeal	£11,027
KORT	£5,130

The designated funds in the accounts represent the net book value of tangible fixed assets. These funds will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The trust is a company limited by guarantee which was incorporated on 9 March 2005. It is governed by its Memorandum and Articles of Association dated 6 April 2005, as amended by a special resolution dated 14 June 2005. Each member of the company is required to contribute an amount not exceeding £10 should the company be wound up while they are a member, or within a year after they cease to be a member.

The charity operates from its premises at Wolseley Road, Sheffield, and is independent of any other or similarly named organisations.

The Charity operates a two-tier management structure. The Trustees are both charity trustees and company directors. In addition to having legal responsibilities within charity and company law, the Trustees have responsibilities to ensure the Charity works within its aims and principles to provide the best possible service for its users and for the local community. The Trustees also have responsibilities as an employer and delegate tasks in the day to day running of the Charity to the Committee.

The Committee consists of 10 members and includes a Chair, Vice-Chair, Minutes Secretary, Treasurer (book-keeper) and Education Manager who are all unpaid and elected by the members at each AGM and reports all its activities to the Trustees. Committee members serve until the next AGM following their election when they shall resign but may offer themselves for re-election. No Committee member serves for a period of more than three consecutive years.

The Committee, under the direction of the Trustees, undertakes the day-to-day management of the Charity's premises, such as security, caretaking and cleaning (provided no financial transaction above the value of £500 is undertaken by the Committee without the authorising signature of a nominated Trustee); and arranges for and supervises religious education. It reports to the Trustees on all matters relating to the Charity's activities including finance, staffing, education and future priorities and actions.

Chair of the Management Committee is Mr A Shaheen; Vice-Chair Mr T Mahmood; Secretary Mr Z Khan; Joint Committee Treasurers Mr Ibrar Khan and Mr Karamat Hussain; the Education Manager is Mr. A Razzaq.

The trustees, most of whom are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Haji Mohammad Nazir OBE	Director and trustee
Sabir Hussain	Director and trustee
Mohammed Yaqub	Director and trustee
Qurban Hussain	Director and trustee
Gulnawaz Khan	Director and Honorary Treasurer

When complete, the Trustees consist of:

- four "Guardian Trustees", being the first four subscribers to the Memorandum;
- a Company Secretary and an honorary Treasurer co-opted by the Guardian Trustees.

The Charity may increase or reduce the maximum number of trustees by passing an ordinary resolution, provided that the number is not reduced to below three. In addition, the members of the Charity must appoint four persons to be "secondary Guardian Trustees" for the Charity. Such persons will not be Trustees on appointment but any one of them is entitled to be appointed as Guardian Trustee on the death, retirement or removal of a Guardian Trustee.

New Trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity. All Trustees are required to sign a declaration of their willingness to act as Trustee before they can vote in any meetings.

### **Small companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

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



**H M Nazir OBE  
Trustee**

26 September 2024

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

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I report to the trustees on my examination of the financial statements of Sheffield Islamic Centre Madina Masjid Trust (the trust) for the year ended 31 December 2023.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (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.

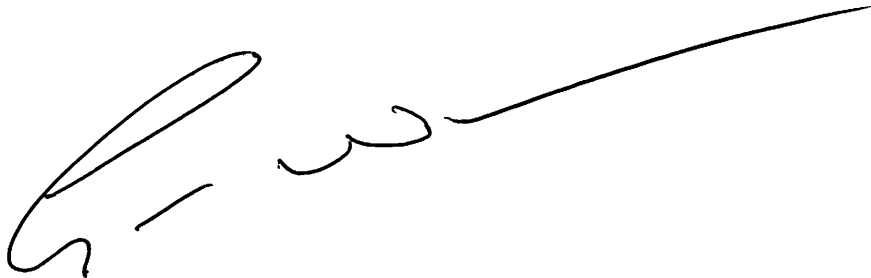
#### **Independent examiner's statement**

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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Grant Wade BA ACA  
Wells Richardson  
Cannon House  
Rutland Road  
Sheffield  
South Yorkshire  
S3 8DP



Dated: 26 September 2024

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total Unrestricted funds general 2023 £	Unrestricted funds designated 2022 £	Total Unrestricted funds designated 2022 £	Total 2022 £
<b>Income from:</b>							
Donations and legacies	3	186,743	-	186,743	142,912	-	142,912
Other trading activities	4	28,200	-	28,200	18,750	-	18,750
<b>Total income</b>		<b>214,943</b>	<b>-</b>	<b>214,943</b>	<b>161,662</b>	<b>-</b>	<b>161,662</b>
<b>Expenditure on:</b>							
Charitable activities	5	184,931	-	184,931	155,189	-	155,189
<b>Net incoming resources before transfers</b>		<b>30,012</b>	<b>-</b>	<b>30,012</b>	<b>6,473</b>	<b>-</b>	<b>6,473</b>
Gross transfers between funds		(10,378)	10,378	-	6,214	(6,214)	-
<b>Net income for the year/ Net movement in funds</b>		<b>19,634</b>	<b>10,378</b>	<b>30,012</b>	<b>12,687</b>	<b>(6,214)</b>	<b>6,473</b>
Fund balances at 1 January 2023		361,047	5,037,160	5,398,207	348,360	5,043,374	5,391,734
<b>Fund balances at 31 December 2023</b>		<b>380,681</b>	<b>5,047,538</b>	<b>5,428,219</b>	<b>361,047</b>	<b>5,037,160</b>	<b>5,398,207</b>

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		5,047,538		5,037,160
<b>Current assets</b>					
Debtors	12	3,980		7,910	
Cash at bank and in hand		389,860		366,218	
		<u>393,840</u>		<u>374,128</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(13,159)</u>		<u>(13,081)</u>	
Net current assets			380,681		361,047
<b>Total assets less current liabilities</b>			<u>5,428,219</u>		<u>5,398,207</u>
<b>Income funds</b>					
Designated funds	15		5,047,538		5,037,160
Unrestricted funds - general			380,681		361,047
			<u>5,428,219</u>		<u>5,398,207</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 September 2024



H M Nazir OBE  
Trustee

Company Registration No. 05386816

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

---

### **1 Accounting policies**

#### **Charity information**

Sheffield Islamic Centre Madina Masjid Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Madina Masjid Trust, 24 Wolseley Road, Sheffield, S8 0ZU.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the trust's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the trust. 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.

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

#### **1.3 Charitable funds**

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

Designated funds are those funds set aside out of general funds by the trustees for a specific purpose over whose use and purpose the trustees have discretion

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 trust.

#### **1.4 Income**

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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 trust 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they cost more than £200 and can be used for more than one year. They 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	0%
Leasehold land and buildings	0%
Fixtures and fittings	20% straight line

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.

In accordance with Financial Reporting Standard 102 land is not depreciated. Buildings have been included at cost when acquired during the year. The carrying values of tangible fixed assets previously valued when capitalised have been retained at their book amount as a deemed cost on transition to SORP FRS 102. No depreciation is provided on freehold or leasehold land and buildings. It is the policy of the Trustees to maintain its properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The trustees perform annual impairment reviews in order to ensure that the carrying value is not more than the recoverable amount.

Although this accounting policy is in accordance with applicable accounting standards, it is a departure from the general requirement of the Companies Act 2006 for all fixed assets to be depreciated. In the opinion of the trustees compliance with the standard is not necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.7 Impairment of fixed assets

At each reporting end date, the trust 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).

#### 1.8 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### **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.

#### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	<b>Unrestricted funds general 2023 £</b>	<b>Unrestricted funds general 2022 £</b>
Donations and gifts	186,743	142,912
<b>Donations and gifts</b>		
Collection donations	13,755	8,894
Collection Mosque	172,988	134,018
	186,743	142,912

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Letting and licensing arrangements	28,200	18,750

### 5 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
<b>Direct costs</b>		
Staff costs	32,870	29,645
Depreciation and impairment	8,622	6,214
Telephone	1,551	1,892
Insurance	17,503	18,508
Water rates	6,444	6,381
Consultancy fees	17,905	10,800
Printing, postage and stationery	1,126	862
Bank charges	792	729
Light and heat	46,874	48,217
Health and safety	3,783	3,847
Repairs and renewals	28,896	10,656
Leasing of office equipment	1,527	1,419
Marketing, publicity and education	5,932	3,551
Islamic books	-	463
Cleaning	6,906	8,211
Legal and professional fees	3,120	3,074
	<u>183,851</u>	<u>154,469</u>
<b>Share of support and governance costs (see note 6)</b>		
Governance	1,080	720
	<u>184,931</u>	<u>155,189</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	<u>184,931</u>	<u>155,189</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Support costs allocated to activities

	2023 £	2022 £
Governance costs	1,080	720
<b>Analysed between:</b>		
Charitable activities	1,080	720
<b>Governance costs comprise:</b>	£	£
Independent examination fees	1,080	720
	1,080	720

### 7 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	8,622	6,214

### 8 Trustees

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

### 9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	2	2
<b>Employment costs</b>	£	£
Wages and salaries	32,394	29,554
Other pension costs	476	91
	32,870	29,645

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

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	4,504,690	519,531	298,981	5,323,202
Additions	-	-	19,000	19,000
	<u>4,504,690</u>	<u>519,531</u>	<u>317,981</u>	<u>5,342,202</u>
At 31 December 2023	4,504,690	519,531	317,981	5,342,202
<b>Depreciation and impairment</b>				
At 1 January 2023	-	-	286,042	286,042
Depreciation charged in the year	-	-	8,622	8,622
	<u>-</u>	<u>-</u>	<u>294,664</u>	<u>294,664</u>
At 31 December 2023	-	-	294,664	294,664
<b>Carrying amount</b>				
At 31 December 2023	<u>4,504,690</u>	<u>519,531</u>	<u>23,317</u>	<u>5,047,538</u>
At 31 December 2022	<u>4,504,690</u>	<u>519,531</u>	<u>12,939</u>	<u>5,037,160</u>

### 12 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	-	3,600
Prepayments and accrued income	3,980	4,310
	<u>3,980</u>	<u>7,910</u>

### 13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	438	561
Other creditors	2,400	-
Accruals and deferred income	10,321	12,520
	<u>13,159</u>	<u>13,081</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 14 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	476	91
	<u>476</u>	<u>91</u>

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

### 15 Unrestricted funds - Designated

These are designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Transfers	At 31 December 2023
	£	£	£
Tangible fixed assets	5,037,160	10,378	5,047,538
	<u>5,037,160</u>	<u>10,378</u>	<u>5,047,538</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£
Tangible fixed assets	5,043,374	(6,214)	5,037,160
	<u>5,043,374</u>	<u>(6,214)</u>	<u>5,037,160</u>

### 16 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.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	At 31 December 2023
	£	£	£	£	£
General funds	361,047	214,943	(184,931)	(10,378)	380,681
	<u>361,047</u>	<u>214,943</u>	<u>(184,931)</u>	<u>(10,378)</u>	<u>380,681</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
General funds	348,360	161,662	(155,189)	6,214	361,047
	<u>348,360</u>	<u>161,662</u>	<u>(155,189)</u>	<u>6,214</u>	<u>361,047</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 17 Analysis of net assets between funds

	Unrestricted funds general 2023 £	Unrestricted funds Designated 2023 £	Total 2023 £
<b>At 31 December 2023:</b>			
Tangible assets	-	5,047,538	5,047,538
Current assets/(liabilities)	380,681	-	380,681
	<u>380,681</u>	<u>5,047,538</u>	<u>5,428,219</u>

	Unrestricted funds general 2022 £	Unrestricted funds Designated 2022 £	Total 2022 £
<b>At 31 December 2022:</b>			
Tangible assets	-	5,037,160	5,037,160
Current assets/(liabilities)	361,047	-	361,047
	<u>361,047</u>	<u>5,037,160</u>	<u>5,398,207</u>

#### 18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

England & Wales - Charity number 1110135

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# Accounts

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Charity registration number 1110135

Company registration number 05386816 (England and Wales)

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and directors</b>	H M Nazir OBE Q Hussain S Hussain M Yaqub
<b>Director</b>	Gulnawaz Khan
<b>Secretary</b>	H N Khan
<b>Charity number</b>	1110135
<b>Company number</b>	05386816
<b>Registered office</b>	Madina Masjid Trust 24 Wolseley Road Sheffield S8 0ZU
<b>Independent examiner</b>	Grant Wade BA ACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
<b>Bankers</b>	HSBC Bank plc 40 Fishergate Preston Lancashire PR1 2AD

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# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

### **Objectives and activities**

The trust's objects are:

- (i) to promote, by such means as are charitable, the advancement of the faith of Islam in accordance with the tenets and doctrines of the Hanfia (Bralvia) school of thought; and
- (ii) to relieve poverty, age and illness amongst the inhabitants of South Sheffield (the "area of benefit") (and in particular those inhabitants who are of the Muslim faith or who are in need by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances) through the provision of facilities in the interests of social welfare and for leisure time occupation with the object of improving the conditions of life of the said inhabitants.

During the year under review, the Charity's key objectives were:

- (i) to help the individual reform, purify and pursue his or her life in keeping with the Islamic methods, and in particular to help and guide the believers in Islam (in accordance with the Hanfia (Bralvia) school of thought);
- (ii) to provide proper facilities for congregational prayers for men, women and children through the establishment of a Mosque with specific facilities and services for Muslim women;
- (iii) to advance Islamic education by providing and maintaining a school for Islamic general education of Muslim children and providing facilities for education of Muslim adults (and in particular women);
- (iv) to advance the education of the public in Islamic studies, particularly, but without prejudice to the foregoing, by the provision of classes and workshops in Islamic history, law and art and provide an Islamic library;
- (v) to respond to emerging social and charitable needs affecting the local community in areas such as education and social welfare.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake. The Committee believes that by promoting the work of the Charity, it helps to advance public knowledge, understanding and appreciation of the Muslim faith.

### **Achievements and performance**

#### **Financial review**

Financial management is the principal legal responsibility of Mr. Gulnawaz Khan, the Honorary Treasurer. The Joint Committee Treasurers, Mr Ibrar Khan and Mr Karamat Hussain, perform day-to-day book-keeping duties. The Charity operates a bank account with HSBC Bank Plc. Potential financial risks have been identified and reviewed by the Trustees and Committee. In recent years, the decrease of monies donated has been as a result of completion of the new Centre.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three 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 trust's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2022, the value of such reserves was £361,047 (2021: £348,360) which exceeds three months' normal expenditure.

The designated funds in the accounts represent the net book value of tangible fixed assets. These funds will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Structure, governance and management

The trust is a company limited by guarantee which was incorporated on 9 March 2005. It is governed by its Memorandum and Articles of Association dated 6 April 2005, as amended by a special resolution dated 14 June 2005. Each member of the company is required to contribute an amount not exceeding £10 should the company be wound up while they are a member, or within a year after they cease to be a member.

The charity operates from its premises at Wolseley Road, Sheffield, and is independent of any other or similarly named organisations.

The Charity operates a two-tier management structure. The Trustees are both charity trustees and company directors. In addition to having legal responsibilities within charity and company law, the Trustees have responsibilities to ensure the Charity works within its aims and principles to provide the best possible service for its users and for the local community. The Trustees also have responsibilities as an employer and delegate tasks in the day to day running of the Charity to the Committee.

The Committee consists of 10 members and includes a Chair, Vice-Chair, Minutes Secretary, Treasurer (book-keeper) and Education Manager who are all unpaid and elected by the members at each AGM and reports all its activities to the Trustees. Committee members serve until the next AGM following their election when they shall resign but may offer themselves for re-election. No Committee member serves for a period of more than three consecutive years.

The Committee, under the direction of the Trustees, undertakes the day-to-day management of the Charity's premises, such as security, caretaking and cleaning (provided no financial transaction above the value of £500 is undertaken by the Committee without the authorising signature of a nominated Trustee); and arranges for and supervises religious education. It reports to the Trustees on all matters relating to the Charity's activities including finance, staffing, education and future priorities and actions.

Chair of the Management Committee is Mr A Shaheen; Vice-Chair Mr T Mahmood; Secretary Mr Z Khan; Joint Committee Treasurers Mr Ibrar Khan and Mr Karamat Hussain; the Education Manager is Mr. A Razaq.

The trustees, most of whom are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Haji Mohammad Nazir OBE	Director and trustee
Sabir Hussain	Director and trustee
Mohammed Yaqub	Director and trustee
Qurban Hussain	Director and trustee
Gulnawaz Khan	Director and Honorary Treasurer

When complete, the Trustees consist of:

- four "Guardian Trustees", being the first four subscribers to the Memorandum;
- a Company Secretary and an honorary Treasurer co-opted by the Guardian Trustees.

The Charity may increase or reduce the maximum number of trustees by passing an ordinary resolution, provided that the number is not reduced to below three. In addition, the members of the Charity must appoint four persons to be "secondary Guardian Trustees" for the Charity. Such persons will not be Trustees on appointment but any one of them is entitled to be appointed as Guardian Trustee on the death, retirement or removal of a Guardian Trustee.

New Trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity. All Trustees are required to sign a declaration of their willingness to act as Trustee before they can vote in any meetings.

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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



H M Nazir OBE  
Trustee

15 September 2023

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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I report to the trustees on my examination of the financial statements of Sheffield Islamic Centre Madina Masjid Trust (the trust) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (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.

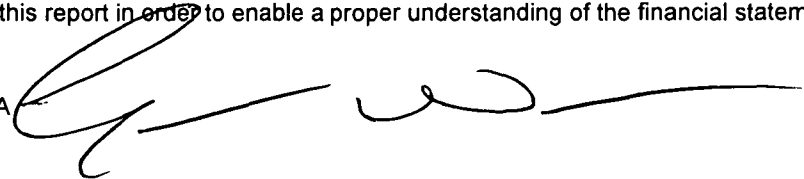
#### **Independent examiner's statement**

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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Grant Wade BA ACA  
Wells Richardson  
Cannon House  
Rutland Road  
Sheffield  
South Yorkshire  
S3 8DP



Dated: 15 September 2023

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	142,912	-	142,912	162,051	-	162,051
Other trading activities	4	18,750	-	18,750	12,700	-	12,700
Other income	5	-	-	-	47,304	-	47,304
<b>Total income</b>		<b>161,662</b>	<b>-</b>	<b>161,662</b>	<b>222,055</b>	<b>-</b>	<b>222,055</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	155,189	-	155,189	148,206	-	148,206
<b>Net incoming resources before transfers</b>		<b>6,473</b>	<b>-</b>	<b>6,473</b>	<b>73,849</b>	<b>-</b>	<b>73,849</b>
Gross transfers between funds		6,214	(6,214)	-	(151,434)	151,434	-
<b>Net income for the year/ Net movement in funds</b>		<b>12,687</b>	<b>(6,214)</b>	<b>6,473</b>	<b>(77,585)</b>	<b>151,434</b>	<b>73,849</b>
Fund balances at 1 January 2022		348,360	5,043,374	5,391,734	425,945	4,891,940	5,317,885
<b>Fund balances at 31 December 2022</b>		<b>361,047</b>	<b>5,037,160</b>	<b>5,398,207</b>	<b>348,360</b>	<b>5,043,374</b>	<b>5,391,734</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	11		5,037,160		5,043,374
<b>Current assets</b>					
Debtors	12	7,910		12,685	
Cash at bank and in hand		366,218		344,792	
		<u>374,128</u>		<u>357,477</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(13,081)</u>		<u>(9,117)</u>	
Net current assets			<u>361,047</u>		<u>348,360</u>
<b>Total assets less current liabilities</b>			<u><u>5,398,207</u></u>		<u><u>5,391,734</u></u>
<b>Income funds</b>					
Designated funds			5,037,160		5,043,374
Unrestricted funds - general			<u>361,047</u>		<u>348,360</u>
			<u><u>5,398,207</u></u>		<u><u>5,391,734</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 15 September 2023



H M Nazir OBE  
Trustee

Company Registration No. 05386816

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

#### Charity information

Sheffield Islamic Centre Madina Masjid Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Madina Masjid Trust, 24 Wolseley Road, Sheffield, S8 0ZU.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the trust. 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.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

#### 1.3 Charitable funds

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

Designated funds are those funds set aside out of general funds by the trustees for a specific purpose over whose use and purpose the trustees have discretion

Restricted funds are subject to specific conditions by donors 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 trust.

#### 1.4 Income

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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 trust 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

##### 1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they cost more than £200 and can be used for more than one year. They 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	0%
Leasehold land and buildings	0%
Fixtures and fittings	20% straight line

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.

*In accordance with Financial Reporting Standard 102 land is not depreciated. Buildings have been included at cost when acquired during the year. The carrying values of tangible fixed assets previously valued when capitalised have been retained at their book amount as a deemed cost on transition to SORP FRS 102. No depreciation is provided on freehold or leasehold land and buildings. It is the policy of the Trustees to maintain its properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The trustees perform annual impairment reviews in order to ensure that the carrying value is not more than the recoverable amount.*

Although this accounting policy is in accordance with applicable accounting standards, it is a departure from the general requirement of the Companies Act 2006 for all fixed assets to be depreciated. In the opinion of the trustees compliance with the standard is not necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

##### 1.7 Impairment of fixed assets

At each reporting end date, the trust 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).

##### 1.8 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **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.

### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	142,912	162,051
<b>Donations and gifts</b>		
Collection donations	8,894	3,051
Collection Mosque	134,018	159,000
	<u>142,912</u>	<u>162,051</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 4 Other trading activities

Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	
Letting and licensing arrangements	18,750	12,700

### 5 Other income

Total Unrestricted funds general 2022 £	2021 £	
Bank charges refund	-	47,304

### 6 Charitable activities

Charitable Expenditure 2022 £	Charitable Expenditure 2021 £	
Staff costs	29,645	39,584
Depreciation and impairment	6,214	7,016
Telephone	1,892	1,794
Insurance	18,508	17,908
Water rates	6,381	3,752
Consultancy fees	10,800	10,690
Printing, postage and stationery	862	1,486
Bank charges	729	918
Light and heat	48,217	34,074
Health and safety	3,847	5,437
Repairs and renewals	10,656	16,013
Leasing of office equipment	1,419	1,102
Marketing, publicity and education	3,551	1,354
Islamic books	463	1,377
Cleaning	8,211	4,797
Legal and professional fees	3,074	(656)
	154,469	146,646
Share of governance costs (see note 7)	720	1,560
	155,189	148,206

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Legal and professional	-	720	720	1,560
	-	720	720	1,560
Analysed between Charitable activities	-	720	720	1,560

Governance costs includes payments to the independent examiner of £720 (2021- £1,560).

### 8 Trustees

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

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	2	3
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	29,554	39,584
Other pension costs	91	-
	29,645	39,584

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

### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2022	4,504,690	519,531	298,981	5,323,202
At 31 December 2022	4,504,690	519,531	298,981	5,323,202
<b>Depreciation and impairment</b>				
At 1 January 2022	-	-	279,828	279,828
Depreciation charged in the year	-	-	6,214	6,214
At 31 December 2022	-	-	286,042	286,042
<b>Carrying amount</b>				
At 31 December 2022	4,504,690	519,531	12,939	5,037,160
At 31 December 2021	4,504,690	519,531	19,153	5,043,374

### 12 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	3,600	8,800
Prepayments and accrued income	4,310	3,885
	7,910	12,685

### 13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	561	1,272
Accruals and deferred income	12,520	7,845
	13,081	9,117

### 14 Retirement benefit schemes

#### Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £91 (2021 - £-).

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	-	5,037,160	5,037,160	-	5,043,374	5,043,374
Current assets/(liabilities)	361,047	-	361,047	348,360	-	348,360
	<u>361,047</u>	<u>5,037,160</u>	<u>5,398,207</u>	<u>348,360</u>	<u>5,043,374</u>	<u>5,391,734</u>

### 16 Related party transactions

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

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

England & Wales - Charity number 1110135

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# Accounts

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*Charity Commission*

Charity registration number 1110135

Company registration number 05386816 (England and Wales)

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**



# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and directors</b>	H M Nazir OBE Q Hussain S Hussain M Yaqub
<b>Director</b>	Gulnawaz Khan
<b>Secretary</b>	H N Khan
<b>Charity number</b>	1110135
<b>Company number</b>	05386816
<b>Registered office</b>	Madina Masjid Trust 24 Wolseley Road Sheffield S8 0ZU
<b>Independent examiner</b>	Grant Wade BAACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
<b>Bankers</b>	HSBC Bank plc 40 Fishergate Preston Lancashire PR1 2AD

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# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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Statement of financial activities	5
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# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

### Objectives and activities

The trust's objects are:

- (i) to promote, by such means as are charitable, the advancement of the faith of Islam in accordance with the tenets and doctrines of the Hanfia (Bralvia) school of thought; and
- (ii) to relieve poverty, age and illness amongst the inhabitants of South Sheffield (the "area of benefit") (and in particular those inhabitants who are of the Muslim faith or who are in need by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances) through the provision of facilities in the interests of social welfare and for leisure time occupation with the object of improving the conditions of life of the said inhabitants.

During the year under review, the Charity's key objectives were:

- (i) to help the individual reform, purify and pursue his or her life in keeping with the Islamic methods, and in particular to help and guide the believers in Islam (in accordance with the Hanfia (Bralvia) school of thought);
- (ii) to provide proper facilities for congregational prayers for men, women and children through the establishment of a Mosque with specific facilities and services for Muslim women;
- (iii) to advance Islamic education by providing and maintaining a school for Islamic general education of Muslim children and providing facilities for education of Muslim adults (and in particular women);
- (iv) to advance the education of the public in Islamic studies, particularly, but without prejudice to the foregoing, by the provision of classes and workshops in Islamic history, law and art and provide an Islamic library;
- (v) to respond to emerging social and charitable needs affecting the local community in areas such as education and social welfare.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake. The Committee believes that by promoting the work of the Charity, it helps to advance public knowledge, understanding and appreciation of the Muslim faith.

### Achievements and performance

#### Financial review

Financial management is the principal legal responsibility of Mr. Gulnawaz Khan, the Honorary Treasurer. The Joint Committee Treasurers, Mr Ibrar Khan and Mr Karamat Hussain, perform day-to-day book-keeping duties. The Charity operates a bank account with HSBC Bank Plc. Potential financial risks have been identified and reviewed by the Trustees and Committee. In recent years, the decrease of monies donated has been as a result of completion of the new Centre.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three 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 trust's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2021, the value of such reserves was £348,360 (2020: £425,945) which exceeds three months' normal expenditure.

The designated funds in the accounts represent the net book value of tangible fixed assets. These funds will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### Structure, governance and management

The trust is a company limited by guarantee which was incorporated on 9 March 2005. It is governed by its Memorandum and Articles of Association dated 6 April 2005, as amended by a special resolution dated 14 June 2005. Each member of the company is required to contribute an amount not exceeding £10 should the company be wound up while they are a member, or within a year after they cease to be a member.

The charity operates from its premises at Wolseley Road, Sheffield, and is independent of any other or similarly named organisations.

The Charity operates a two-tier management structure. The Trustees are both charity trustees and company directors. In addition to having legal responsibilities within charity and company law, the Trustees have responsibilities to ensure the Charity works within its aims and principles to provide the best possible service for its users and for the local community. The Trustees also have responsibilities as an employer and delegate tasks in the day to day running of the Charity to the Committee.

The Committee consists of 10 members and includes a Chair, Vice-Chair, Minutes Secretary, Treasurer (book-keeper) and Education Manager who are all unpaid and elected by the members at each AGM and reports all its activities to the Trustees. Committee members serve until the next AGM following their election when they shall resign but may offer themselves for re-election. No Committee member serves for a period of more than three consecutive years.

The Committee, under the direction of the Trustees, undertakes the day-to-day management of the Charity's premises, such as security, caretaking and cleaning (provided no financial transaction above the value of £500 is undertaken by the Committee without the authorising signature of a nominated Trustee); and arranges for and supervises religious education. It reports to the Trustees on all matters relating to the Charity's activities including finance, staffing, education and future priorities and actions.

Chair of the Management Committee is Mr M Aslam; Vice-Chair Mr T Mahmood; Secretary Mr Z Khan; Joint Committee Treasurers Mr Ibrar Khan and Mr Karamat Hussain; the Education Manager is Mr. A Shaheen.

The trustees, most of whom are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Haji Mohammad Nazir OBE	Director and trustee
Sabir Hussain	Director and trustee
Mohammed Yaqub	Director and trustee
Qurban Hussain	Director and trustee
Gulnawaz Khan	Director and Honorary Treasurer

When complete, the Trustees consist of:

- four "Guardian Trustees", being the first four subscribers to the Memorandum;
- a Company Secretary and an honorary Treasurer co-opted by the Guardian Trustees.

The Charity may increase or reduce the maximum number of trustees by passing an ordinary resolution, provided that the number is not reduced to below three. In addition, the members of the Charity must appoint four persons to be "secondary Guardian Trustees" for the Charity. Such persons will not be Trustees on appointment but any one of them is entitled to be appointed as Guardian Trustee on the death, retirement or removal of a Guardian Trustee.


New Trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity. All Trustees are required to sign a declaration of their willingness to act as Trustee before they can vote in any meetings.

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

  
H M Nazir OBE  
Trustee

25 October 2022

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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I report to the trustees on my examination of the financial statements of Sheffield Islamic Centre Madina Masjid Trust (the trust) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (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.

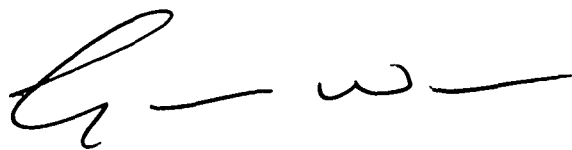
#### **Independent examiner's statement**

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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Grant Wade BAACA  
Wells Richardson  
Cannon House  
Rutland Road  
Sheffield  
South Yorkshire  
S3 8DP



Dated: 25 October 2022

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
<b>Income and endowments from:</b>							
Donations and legacies	3	174,751	-	174,751	148,854	-	148,854
Other income	4	47,304	-	47,304	-	-	-
<b>Total income</b>		<b>222,055</b>	<b>-</b>	<b>222,055</b>	<b>148,854</b>	<b>-</b>	<b>148,854</b>
<b>Expenditure on:</b>							
Charitable activities	5	148,206	-	148,206	115,864	-	115,864
Gross transfers between funds		(151,434)	151,434	-	2,607	(2,607)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(77,585)</b>	<b>151,434</b>	<b>73,849</b>	<b>35,597</b>	<b>(2,607)</b>	<b>32,990</b>
Fund balances at 1 January 2021		425,945	4,891,940	5,317,885	390,348	4,894,547	5,284,895
<b>Fund balances at 31 December 2021</b>		<b>348,360</b>	<b>5,043,374</b>	<b>5,391,734</b>	<b>425,945</b>	<b>4,891,940</b>	<b>5,317,885</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9		5,043,374		4,891,940
<b>Current assets</b>					
Debtors	10	12,685		16,915	
Cash at bank and In hand		344,792		421,449	
		<u>357,477</u>		<u>438,364</u>	
<b>Creditors: amounts falling due within one year</b>	11	(9,117)		(12,419)	
Net current assets			348,360		425,945
<b>Total assets less current liabilities</b>			<u>5,391,734</u>		<u>5,317,885</u>
<b>Income funds</b>					
Designated funds			5,043,374		4,891,940
Unrestricted funds - general			348,360		425,945
			<u>5,391,734</u>		<u>5,317,885</u>

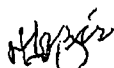
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25 October 2022



H M Nazir OBE  
Trustee

Company Registration No. 05386816

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Charity information

Sheffield Islamic Centre Madina Masjid Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Madina Masjid Trust, 24 Wolseley Road, Sheffield, S8 0ZU.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the trust. 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.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

#### 1.3 Charitable funds

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

Designated funds are those funds set aside out of general funds by the trustees for a specific purpose over whose use and purpose the trustees have discretion

Restricted funds are subject to specific conditions by donors 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 trust.

#### 1.4 Income

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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 trust 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they cost more than £200 and can be used for more than one year. They 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	0%
Leasehold land and buildings	0%
Fixtures and fittings	20% straight line

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.

In accordance with Financial Reporting Standard 102 land is not depreciated. Buildings have been included at cost when acquired during the year. The carrying values of tangible fixed assets previously valued when capitalised have been retained at their book amount as a deemed cost on transition to SORP FRS 102. No depreciation is provided on freehold or leasehold land and buildings. It is the policy of the Trustees to maintain its properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The trustees perform annual impairment reviews in order to ensure that the carrying value is not more than the recoverable amount.

Although this accounting policy is in accordance with applicable accounting standards, it is a departure from the general requirement of the Companies Act 2006 for all fixed assets to be depreciated. In the opinion of the trustees compliance with the standard is not necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.7 Impairment of fixed assets

At each reporting end date, the trust 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).

#### 1.8 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### **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.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	174,751	148,854
<b>Donations and gifts</b>		
House collections	-	3,346
Collection donations	3,051	6,160
Collection Mosque	159,000	131,948
Rental income	12,700	7,400
	<u>174,751</u>	<u>148,854</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Other income

	Unrestricted funds general 2021 £	Total 2020 £
Bank charges refund	47,304	-

### 5 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Staff costs	39,584	30,047
Depreciation and impairment	7,016	4,227
Telephone	1,794	1,423
Insurance	17,908	16,385
Water rates	3,752	2,557
Consultancy fees	10,690	11,375
Printing, postage and stationery	1,486	581
Bank charges	918	718
Light and heat	34,074	28,693
Health and safety	5,437	6,083
Repairs and renewals	16,013	5,697
Leasing of office equipment	1,102	1,096
Marketing, publicity and education	1,354	1,105
Islamic books	1,377	-
Cleaning	4,797	3,297
Legal and professional fees	(656)	180
	<u>146,646</u>	<u>113,464</u>
Share of governance costs (see note 6)	1,560	2,400
	<u>148,206</u>	<u>115,864</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs	Support costs £	Governance costs £	2021 £	2020 £
Legal and professional	-	1,560	1,560	2,400
	-	1,560	1,560	2,400
Analysed between Charitable activities	-	1,560	1,560	2,400

Governance costs includes payments to the independent examiner of £1,560 (2020- £2,400).

### 7 Trustees

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

### 8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	3	2
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	39,584	30,047

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

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2021	4,504,690	380,562	279,500	5,164,752
Additions	-	138,969	19,481	158,450
At 31 December 2021	<u>4,504,690</u>	<u>519,531</u>	<u>298,981</u>	<u>5,323,202</u>
<b>Depreciation and impairment</b>				
At 1 January 2021	-	-	272,812	272,812
Depreciation charged in the year	-	-	7,016	7,016
At 31 December 2021	<u>-</u>	<u>-</u>	<u>279,828</u>	<u>279,828</u>
<b>Carrying amount</b>				
At 31 December 2021	<u>4,504,690</u>	<u>519,531</u>	<u>19,153</u>	<u>5,043,374</u>
At 31 December 2020	<u>4,504,690</u>	<u>380,562</u>	<u>6,688</u>	<u>4,891,940</u>

### 10 Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	8,800	14,000
Prepayments and accrued income	3,885	2,915
	<u>12,685</u>	<u>16,915</u>

### 11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	1,272	1,474
Accruals and deferred income	7,845	10,945
	<u>9,117</u>	<u>12,419</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	-	5,043,374	5,043,374	-	4,891,940	4,891,940
Current assets/(liabilities)	348,360	-	348,360	425,945	-	425,945
	<u>348,360</u>	<u>5,043,374</u>	<u>5,391,734</u>	<u>425,945</u>	<u>4,891,940</u>	<u>5,317,885</u>

### 13 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

England & Wales - Charity number 1110135

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# Accounts

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Charity Registration No. 1110135

Company Registration No. 05386816 (England and Wales)

**SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees and directors</b>	H M Nazir OBE Q Hussain S Hussain M Yaqub
<b>Director</b>	Gulnawaz Khan
<b>Secretary</b>	H N Khan
<b>Charity number</b>	1110135
<b>Company number</b>	05386816
<b>Registered office</b>	Madina Masjid Trust 24 Wolseley Road Sheffield S8 0ZU
<b>Independent examiner</b>	Grant Wade BA ACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP
<b>Bankers</b>	HSBC Bank plc 40 Fishergate Preston Lancashire PR1 2AD

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# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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Balance sheet	6
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# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their annual report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The trust's objects are:

- (i) to promote, by such means as are charitable, the advancement of the faith of Islam in accordance with the tenets and doctrines of the Hanfia (Bralvia) school of thought; and
- (ii) to relieve poverty, age and illness amongst the inhabitants of South Sheffield (the "area of benefit") (and in particular those inhabitants who are of the Muslim faith or who are in need by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances) through the provision of facilities in the interests of social welfare and for leisure time occupation with the object of improving the conditions of life of the said inhabitants.

During the year under review, the Charity's key objectives were:

- (i) to help the individual reform, purify and pursue his or her life in keeping with the Islamic methods, and in particular to help and guide the believers in Islam (in accordance with the Hanfia (Bralvia) school of thought);
- (ii) to provide proper facilities for congregational prayers for men, women and children through the establishment of a Mosque with specific facilities and services for Muslim women;
- (iii) to advance Islamic education by providing and maintaining a school for Islamic general education of Muslim children and providing facilities for education of Muslim adults (and in particular women);
- (iv) to advance the education of the public in Islamic studies, particularly, but without prejudice to the foregoing, by the provision of classes and workshops in Islamic history, law and art and provide an Islamic library;
- (v) to respond to emerging social and charitable needs affecting the local community in areas such as education and social welfare.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake. The Committee believes that by promoting the work of the Charity, it helps to advance public knowledge, understanding and appreciation of the Muslim faith.

#### **Achievements and performance**

##### **Financial review**

Financial management is the principal legal responsibility of Mr. Gulnawaz Khan, the Honorary Treasurer. The Joint Committee Treasurers, Mr Ibrar Khan and Mr Karamat Hussain, perform day-to-day book-keeping duties. The Charity operates a bank account with HSBC Bank Plc. Potential financial risks have been identified and reviewed by the Trustees and Committee. In recent years, the decrease of monies donated has been as a result of completion of the new Centre.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least three 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 trust's current activities while consideration is given to ways in which additional funds may be raised. At 31 December 2020, the value of such reserves was £425,945 (2019: £390,348) which exceeds three months' normal expenditure.

The designated funds in the accounts represent the net book value of tangible fixed assets less related loans. These funds will be reduced over the useful economic life of the tangible fixed assets in line with depreciation.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Structure, governance and management

The trust is a company limited by guarantee which was incorporated on 9 March 2005. It is governed by its Memorandum and Articles of Association dated 6 April 2005, as amended by a special resolution dated 14 June 2005. Each member of the company is required to contribute an amount not exceeding £10 should the company be wound up while they are a member, or within a year after they cease to be a member.

The charity operates from its premises at Wolseley Road, Sheffield, and is independent of any other or similarly named organisations.

The Charity operates a two-tier management structure. The Trustees are both charity trustees and company directors. In addition to having legal responsibilities within charity and company law, the Trustees have responsibilities to ensure the Charity works within its aims and principles to provide the best possible service for its users and for the local community. The Trustees also have responsibilities as an employer and delegate tasks in the day to day running of the Charity to the Committee.

The Committee consists of 10 members and includes a Chair, Vice-Chair, Minutes Secretary, Treasurer (book-keeper) and Education Manager who are all unpaid and elected by the members at each AGM and reports all its activities to the Trustees. Committee members serve until the next AGM following their election when they shall resign but may offer themselves for re-election. No Committee member serves for a period of more than three consecutive years.

The Committee, under the direction of the Trustees, undertakes the day-to-day management of the Charity's premises, such as security, caretaking and cleaning (provided no financial transaction above the value of £500 is undertaken by the Committee without the authorising signature of a nominated Trustee); and arranges for and supervises religious education. It reports to the Trustees on all matters relating to the Charity's activities including finance, staffing, education and future priorities and actions.

Chair of the Management Committee is Mr M Aslam; Vice-Chair Mr T Mahmood; Secretary Mr Z Khan; Joint Committee Treasurers Mr Ibrar Khan and Mr Karamat Hussain; the Education Manager is Mr. A Shaheen.

The trustees, most of whom are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Haji Mohammad Nazir OBE	Director and trustee
Sabir Hussain	Director and trustee
Mohammed Yaqub	Director and trustee
Qurban Hussain	Director and trustee
Gulnawaz Khan	Director and Honorary Treasurer

When complete, the Trustees consist of:

- four "Guardian Trustees", being the first four subscribers to the Memorandum;
- a Company Secretary and an honorary Treasurer co-opted by the Guardian Trustees.

The Charity may increase or reduce the maximum number of trustees by passing an ordinary resolution, provided that the number is not reduced to below three. In addition, the members of the Charity must appoint four persons to be "secondary Guardian Trustees" for the Charity. Such persons will not be Trustees on appointment but any one of them is entitled to be appointed as Guardian Trustee on the death, retirement or removal of a Guardian Trustee.

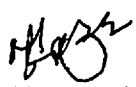
New Trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity. All Trustees are required to sign a declaration of their willingness to act as Trustee before they can vote in any meetings.

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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



**H M Nazir OBE  
Trustee**

20 December 2021

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

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I report to the trustees on my examination of the financial statements of Sheffield Islamic Centre Madina Masjid Trust (the trust) for the year ended 31 December 2020.

#### **Responsibilities and basis of report**

As the trustees of the trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

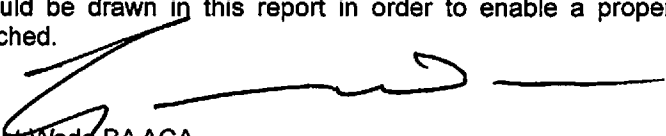
Having satisfied myself that the financial statements of the trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the trust's financial statements carried out under section 145 of the Charities Act 2011 (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**

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 trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



Grant Wade BAACA  
Wells Richardson  
Cannon House  
Rutland Road  
Sheffield  
South Yorkshire  
S3 8DP

Dated: 20 December 2021

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total Unrestricted funds general 2020 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
<b>Income from:</b>							
Donations and legacies	3	148,854	-	148,854	164,360	2,741	167,101
<b>Expenditure on:</b>							
Charitable activities	4	115,864	-	115,864	127,147	2,741	129,888
<b>Net incoming resources before transfers</b>		32,990	-	32,990	37,213	-	37,213
Gross transfers between funds		2,607	(2,607)	-	(6,014)	6,014	-
<b>Net income for the year/ Net movement in funds</b>		35,597	(2,607)	32,990	31,199	6,014	37,213
Fund balances at 1 January 2020		390,348	4,894,547	5,284,895	359,149	4,888,533	5,247,682
<b>Fund balances at 31 December 2020</b>		425,945	4,891,940	5,317,885	390,348	4,894,547	5,284,895

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		4,891,940		4,894,547
<b>Current assets</b>					
Debtors	10	16,915		26,239	
Cash at bank and in hand		421,449		420,709	
		<u>438,364</u>		<u>446,948</u>	
<b>Creditors: amounts falling due within one year</b>	12	(12,419)		(56,600)	
Net current assets			425,945		390,348
<b>Total assets less current liabilities</b>			<u>5,317,885</u>		<u>5,284,895</u>
<b>Income funds</b>					
Designated funds			4,891,940		4,894,547
Unrestricted funds - general			425,945		390,348
			<u>5,317,885</u>		<u>5,284,895</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 20 December 2021



H M Nazir OBE  
Trustee

Company Registration No. 05386816

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

Sheffield Islamic Centre Madina Masjid Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Madina Masjid Trust, 24 Wolseley Road, Sheffield, S8 0ZU.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust 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.

#### 1.3 Charitable funds

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

Designated funds are those funds set aside out of general funds by the trustees for a specific purpose over whose use and purpose the trustees have discretion

Restricted funds are subject to specific conditions by donors 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 trust.

#### 1.4 Income

Income is recognised when the trust 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.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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 trust 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are capitalised if they cost more than £200 and can be used for more than one year. They 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	0%
Leasehold land and buildings	0%
Fixtures and fittings	20% straight line

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.

In accordance with Financial Reporting Standard 102 land is not depreciated. Buildings have been included at cost when acquired during the year. The carrying values of tangible fixed assets previously valued when capitalised have been retained at their book amount as a deemed cost on transition to SORP FRS 102. No depreciation is provided on freehold or leasehold land and buildings. It is the policy of the Trustees to maintain its properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The trustees perform annual impairment reviews in order to ensure that the carrying value is not more than the recoverable amount.

Although this accounting policy is in accordance with applicable accounting standards, it is a departure from the general requirement of the Companies Act 2006 for all fixed assets to be depreciated. In the opinion of the trustees compliance with the standard is not necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.7 Impairment of fixed assets

At each reporting end date, the trust 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).

#### 1.8 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.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **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.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	148,854	164,360	2,741	167,101
<b>Donations and gifts</b>				
House collections	3,346	19,858	-	19,858
Collection donations	6,160	18,029	-	18,029
Collection Mosque	81,248	112,703	-	112,703
Rental income	7,400	13,770	-	13,770
Other	50,700	-	2,741	2,741
	148,854	164,360	2,741	167,101

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Charitable activities

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Staff costs	30,047	20,974
Depreciation and impairment	4,227	4,970
Telephone	1,423	1,260
Insurance	16,385	14,237
Water rates	2,557	5,098
Consultancy fees	11,375	9,900
Printing, postage and stationery	581	553
Bank charges	718	951
Light and heat	28,693	30,660
Health and safety	6,083	1,688
Repairs and renewals	5,697	22,340
Leasing of office equipment	1,096	1,010
Marketing, publicity and education	1,105	2,329
Islamic books	-	1,523
Cleaning	3,297	5,754
Legal and professional fees	180	1,500
	<u>113,464</u>	<u>124,747</u>
Grant funding of activities (see note 5)	-	2,741
Share of governance costs (see note 6)	2,400	2,400
	<u>115,864</u>	<u>129,888</u>
<b>Analysis by fund</b>		
Unrestricted funds - general	115,864	127,147
Restricted funds	-	2,741

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Grants payable

	Charitable Expenditure 2019 £
Grants to institutions:	
Families Relief	831
Weston Park Hospital	690
Yorkshire Flood Relief	1,220
	<u>2,741</u>

### 6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal and professional	-	2,400	2,400	-	2,400	2,400
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>2,400</u>
Analysed between Charitable activities	-	2,400	2,400	-	2,400	2,400
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>2,400</u>

Governance costs includes payments to the independent examiner of £2,400 (2019- £2,400).

### 7 Trustees

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

### 8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	2	2
	<u>2</u>	<u>2</u>
<b>Employment costs</b>	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	30,047	20,974
	<u>30,047</u>	<u>20,974</u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Employees

(Continued)

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

### 9 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2020	4,504,690	380,562	277,880	5,163,132
Additions	-	-	1,620	1,620
At 31 December 2020	4,504,690	380,562	279,500	5,164,752
<b>Depreciation and impairment</b>				
At 1 January 2020	-	-	268,585	268,585
Depreciation charged in the year	-	-	4,227	4,227
At 31 December 2020	-	-	272,812	272,812
<b>Carrying amount</b>				
At 31 December 2020	4,504,690	380,562	6,688	4,891,940
At 31 December 2019	4,504,690	380,562	9,295	4,894,547

### 10 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	14,000	24,000
Prepayments and accrued income	2,915	2,239
	16,915	26,239

### 11 Loans and overdrafts

	2020	2019
	£	£
Other loans	-	50,700
Payable within one year	-	50,700

These are unsecured private loans (Quarza Hasna) given by members of the mosque community towards various projects. In the year ended 31 December 2020, the loans have been converted into donations as per the donors' instructions.

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**12 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Borrowings	-	50,700
Other taxation and social security	1,474	700
Accruals and deferred income	10,945	5,200
	<u>12,419</u>	<u>56,600</u>
	<u><u>12,419</u></u>	<u><u>56,600</u></u>

# SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:							
Tangible assets	-	4,891,940	4,891,940	-	4,894,547	-	4,894,547
Current assets/(liabilities)	425,945	-	425,945	390,348	-	-	390,348
	<u>425,945</u>	<u>4,891,940</u>	<u>5,317,885</u>	<u>390,348</u>	<u>4,894,547</u>	<u>-</u>	<u>5,284,895</u>

# **SHEFFIELD ISLAMIC CENTRE MADINA MASJID TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **14 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).