

MAKKI MASJID

ACCOUNTS FOR THE YEAR ENDED

31 MARCH 2023

Registered Charity No: 1119384

**Ferguson & Co
Chartered Certified Accountants
651 Mauldeth Road West
Chorlton
Manchester
M21 7SA**

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TRUSTEES AND PROFESSIONAL ADVISORS

TRUSTEES: Mr. Farroukh Zaheer (Chair)
Mr. Rabnawaz Akbar (Secretary)
Mr. Javid Iqbal
Mr. Mohammed Ashraf
Mr. Aman Ullah Sheikh

MAIN OFFICE: 125 Beresford Road
Longsight
Manchester
M13 0TA

BANKERS: National Westminster Bank Plc
821 Stockport Road
Levenshulme
Manchester
M19 3PL

Al Rayan Bank
Edgbaston House
3 Duchess Place
Hagley Road
Birmingham
B16 8NH

ACCOUNTANTS: Ferguson & Co
Chartered Certified Accountants
651 Mauldeth Road West
Chorlton
Manchester
M21 7SA

TRUSTEES REPORT FOR THE YEAR ENDED 31 MAR 2023

The Trustees present their report and financial statements of the charity for the year ended 31 Mar 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland published (FRS 102) (effective 1 January 2015).

STATUS

Make Masjid is a registered charity under the charity number 1119384. It has no taxable activities and therefore not liable to UK taxation. It is, however, unable to reclaim VAT on expenditure incurred.

Trustees

The trustees of the charity, under the trust deed, are known as Board members with voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts. The trustees undertake a skills audit to identify gaps in Board experiences and new trustees are appointed on a 3-year term to fill these gaps. There is an induction and training plan in place for all trustees to strengthen their role in strategic planning. Trustees are also able to access the organisational training plan and attend any that they feel would be beneficial to their role and/or understanding.

Recruitment and Appointment of Trustees

The Trustees of the charity are known as members of the Management Committee. Under the requirements of the deed, members of the Management Committee shall hold office until the end of Annual General Meeting next following their election appointment or co-option and shall be eligible for re-election or re-co-option.

Trustee Induction and Training

New trustees are recruited following all recruitment process and a successful induction.

All new trustees are given an induction when they start which gives them up to date information on our services, finances, funding streams, organisational policies and procedures, code of conduct and training on our quality assurance standards. Training is provided for the management committee on roles and responsibilities of a trustee and other relevant training identified to assist and support the work of the trustees.

Achievement & Performance

The centre provides the services of a mosque in the south of Manchester. Facilities of the centre are open to the public all day. It caters for the five daily prayers, the after school children's' madrassa and other community needs for the Muslims of the area, for example, marriage ceremonies, wedding and other celebrations and funeral prayers.

TRUSTEES REPORT FOR THE YEAR ENDED 31 MAR 2023 (CONTINUED)

There are times during the course of the year when the centre is busier than normal. These occasions listed below:

(a) Friday

Friday is the holiest day of the week for Muslims and special prayers are offered around early afternoon on this day.

(b) Ramadhan

The month of Ramadhan is the period when members of the Muslim community are fasting during the day. The normal prayers are attended by above average numbers and special prayers are offered in the evenings. Food and light refreshments are provided for the attendees in the evening every night of Ramadhan. During the last ten days of Ramadhan the centre is open 24 hours of the day.

(c) Eids

The Eid festival is celebrated twice every year by the Muslim community and once again the centre plays its full role in serving the need of the community. The first Eid is celebrated at the end of Ramadhan to mark the passing of the holy month and the second one is held approximately two and half months later to celebrate the end of the annual pilgrimage to Mecca, the Hajj.

Financial Review

In the year to 31 Mar 2023 the charity had a total income of £496,219 (£442,155 - 2022) and total expenditure of £148,412 (£88,318 - 2022). This resulted in a net surplus for the year of £547,807 (£353,837 - 2022). During this period the charity have used funds collected in the current period to maintain activity levels. At the end of the financial year unrestricted reserves stood at £3,098,067 (£2,750,260 - 2022).

Investment powers and policy

The cash balance held in unrestricted reserves at 31 Mar 2023 was £47,769 (£494,239 - 2022). The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately 6 months of unrestricted charitable expenditure.

The Trustees consider, having regard to the budget for the next twelve months, that the charity is a going concern.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks.

Plans for Future Periods and highlights of building project:

In January 2016, Manchester City Council approved some amendments which were made to our building plans. The news was well received by the Trust and community alike who were overjoyed that work could finally begin on the new project. Site work commenced in the Summer of 2016 with the groundworks and progressed well such that by the end of March 2021, the building is now water-tight. The next phase of the build is to start on the internal works such as the electrical and mechanical works followed by the internal finishes and external groundworks and landscaping.

TRUSTEES REPORT FOR THE YEAR ENDED 31 MAR 2023 (CONTINUED)**Trustees responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

The law applicable to Charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing the accounts, the Trustees are required to;

- 1 Select suitable accounting principles and then apply them consistently;
- 2 Observe the methods and principles in the applicable Charities SORP;
- 3 Make judgements and estimates that are reasonable and prudent;
- 4 State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 5 Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provision of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and

Approved by the trustees and signed on their behalf by;

.....
Mr Farroukh Zaheer
Chair of the Trustees

Date:

Independent Examiner's Report to the Trustees of MAKKI MASJID

I report on the accounts of the charity for the year ended 31 March 2023 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act.

have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Muhammad Tayyab (FCCA)

Ferguson & Co

651 Mauldeth Road West, Chorlton, Manchester, M21 7SA

Date:

Statement of Financial Activities

For the year ended 31 March 2023

	Notes	2023		2022	
		£	£	£	£
INCOMING RESOURCES		Restricted	General	Restricted	General
INCOME FOR THE YEAR	6		496,219		442,155
		-	496,219	-	442,155
LESS: RESOURCES EXPENDED					
Cost of generating funds					
Expenditure on charitable activities	6		134,152		79,334
Governance costs	6		2,451		1,591
Support costs	6		11,809		7,393
TOTAL RESOURCES EXPENDED		-	148,412	-	88,318
NET INCOME FOR THE YEAR			347,807		353,837
BALANCE BROUGHT FORWARD			2,750,260		2,396,423
BALANCE CARRIED FORWARD		-	3,098,067	-	2,750,260

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these accounts.

BALANCE SHEET

At 31st March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible Assets	3	3,292,198	2,339,521
CURRENT ASSETS			
Debtors	4	-	0
Cash at bank and in hand		47,769	494,239
		<u>47,769</u>	<u>494,239</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	5	241,900	83,500
		<u>241,900</u>	<u>83,500</u>
NET CURRENT ASSETS		(194,131)	410,739
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>3,098,067</u></u>	<u><u>2,750,260</u></u>
ACCUMULATED FUNDS			
Unrestricted funds brought forward	7	2,750,260	2,396,423
Unrestricted reserves for current year	7	347,807	353,837
		<u><u>3,098,067</u></u>	<u><u>2,750,260</u></u>

We approve these accounts and confirm that we have made available all the information and explanations for their preparation.

Trustee
MR FARROUKH ZAHEER

Trustee
MR RABNAWAZ AKBAR

Date :

The notes on pages 8 to 13 form part of these accounts.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011.

Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

MAKKI MASJID
NOTES TO THE ACCOUNTS (CONTINUED)
For the year ended 31 March 2023

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Current asset investments

The charity holds no investments

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the costs undertaken to further the process of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities.

Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Fixtures & Equipment	25% on cost
Computers & Equipment	25% on cost
Play Equipment	25% on cost

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and at hand

The charity's cash at bank and in hand includes the availability of funds as at 31st March 2023.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

Employees of the charity have been auto enrolled onto a pension scheme to which the charity contributes.

2.STAFF COSTS

	2023	2022
Staff salaries, E'er NIC & Pension	54,576	51,941
The average number of employee during the year were;		
	Number	Number
Administration	4	4
Volunteers	5	5

NOTES TO THE ACCOUNTS
For the year ended 31 March 2023

3. TANGIBLE FIXED ASSETS

COST	Other Equipment £	Land & Building £	TOTAL £
At 1 April 2022	1,452	2,338,069	2,339,521
Additions	-	952,677	952,677
At 31 March 2023	<u>1,452</u>	<u>3,290,746</u>	<u>3,292,198</u>

NET BOOK VALUE

At 31 March 2023	<u>1,452</u>	<u>3,290,746</u>	<u>3,292,198</u>
At 1 April 2022	<u>1,452</u>	<u>2,338,069</u>	<u>2,339,521</u>

4.DEBTORS

	2023 £	2022 £
There are no debtors	-	-
	<u>-</u>	<u>-</u>

5.CREDITORS

	2023 £	2022 £
Interest free community loans	241,900	83,500
	<u>241,900</u>	<u>83,500</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

6. ANALYSIS OF INCOME AND EXPENDITURE

	31 March 2023			31 March 2022		
	General	Restr- icted	Total	General	Restr- icted	Total
Income						
Donations & Legacies (Friday collections)	71,334	-	71,334	66,173	-	66,173
Donations for expansion plan	399,800	-	399,800	343,204	-	343,204
Fitrana, Sadaka and others	8,405	-	8,405	23,088	-	23,088
Income from Charitable activities						
Madrisa fee	16,680	-	16,680	9,690	-	9,690
	<u>496,219</u>	<u>-</u>	<u>496,219</u>	<u>442,155</u>	<u>-</u>	<u>442,155</u>
Expenditure on charitable activities;						
Heat& lights	9,690	-	9,690	2,001	-	2,001
Cost on fundraising	1,220	-	1,220	1,000	-	1,000
Repairs and Renewals	216	-	216	553	-	553
Fitrana, sadaka and other donations	7,924	-	7,924	21,281	-	21,281
Eid expenses	-	-	-	1,775	-	1,775
Ummrah travel	59,782	-	59,782	-	-	-
Telephone	744	-	744	783	-	783
Wages & Salaries and Pension	54,576	-	54,576	51,941	-	51,941
	<u>134,152</u>	<u>-</u>	<u>134,152</u>	<u>79,334</u>	<u>-</u>	<u>79,334</u>
Governance Costs;						
Accountancy & Payroll	357	-	357	534	-	534
Bank and worldpay charges	2,094	-	2,094	1,057	-	1,057
	<u>2,451</u>	<u>-</u>	<u>2,451</u>	<u>1,591</u>	<u>-</u>	<u>1,591</u>
Support Costs;						
Printing & Stationery	2,895	-	2,895	803	-	803
Sundry Expenses	1,914	-	1,914	350	-	350
Security	2,073	-	2,073	650	-	650
Hygiene supplies	1,630	-	1,630	1,500	-	1,500
Insurance	1,187	-	1,187	1,090	-	1,090
Professional & consultancy	2,110	-	2,110	3,000	-	3,000
	<u>11,809</u>	<u>-</u>	<u>11,809</u>	<u>7,393</u>	<u>-</u>	<u>7,393</u>
NET INCOME	<u>347,807</u>	<u>-</u>	<u>347,807</u>	<u>353,837</u>	<u>-</u>	<u>353,837</u>
FUNDS BROUGHT FORWARD	2,750,259	-	2,750,259	2,396,423	-	2,396,423
FUNDS CARRIED FORWARD	<u>3,098,066</u>	<u>-</u>	<u>3,098,066</u>	<u>2,750,259</u>	<u>-</u>	<u>2,750,259</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

7. ACCUMULATED FUNDS

	GENERAL FUNDS £	RESTRICTED FUNDS £	TOTAL £
Balance at 31 March 2022	2,750,259	-	2,750,259
Net income	347,807	-	347,807
Balance at 31 March 2023	<u>3,098,067</u>	<u>-</u>	<u>3,098,067</u>

8. CONTROLLING PARTY

Charity in under the share control of Trustees named on page 1 of the accounts.

9. RELATED PARTY TRANSACTION

There has been no transaction with the trustess during the year in any form. (2022 nil)