

WERNETH JAMIA MASJID

ACCOUNTS FOR THE YEAR ENDED

31 MARCH 2022

Registered Charity No: 1137058

**Whitegate & Co Accountants
Chartered Certified Accountants & Tax Advisers
104 Broughton Lane
Salford
Manchester
M7 1UF**

WERNETH JAMIA MASJID

TABLE OF CONTENTS

Page

1	Trustees and Professional Advisors
2-4	Trustees Report
5	Statement of Trustees' responsibilities for the accounts
6	Independent Review
7	Statement of financial activities
8	Balance Sheet
9-14	Notes to the accounts

TRUSTEES AND PROFESSIONAL ADVISORS

TRUSTEES:

Mohammed Shafiq Khan
Mohammed Khan
Moahmmed Farman
Malik Abdul Rehman
Zakir Hussain
Nisar Ahmed

MAIN OFFICE:

116 Manchester Road
Werneth
Oldham
OL9 7AX

CHARITY NUMBER:

1137058

ACCOUNTANTS:

Whitegate & Co Accountants
Chartered Certified Accountants & Tax Advisers
104 Broughton Lane
Salford
Manchester
M7 1UF

The Trustees present their report and financial statements of the charity for the year ended 31 Mar 2022. 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

Werneth Jamia Masjid is a registered charity under the charity number 1137058. It has no taxable activities and therefore not liable to UK taxation. It is, however, unable to reclaim VAT on expenditure incurred.

PRINCIPAL ACTIVITIES

The principal activity of the charity in the year under review was providing range of activities related to practice of Islam.

STRUCTURE GOVERNANCE AND MANAGEMENT

Organizational structure

The Charity management committee are responsible for the general control and management of the charity. The trustees give their time freely and receive no remunerations or other benefits for their role as trustees of the organization. The trustees meet together as a body on a quarterly basis but will meet more often when required and are responsible for all decisions making in relation to running of the organization and its activities. To assist in the running of the organization the trustees are supported by a committee of volunteers and to help in certain aspect of the charities work.

Recruitment And Appointment of Trustees

The existing trustees are responsible for the recruitment of new trustees and offer an open invitation to all its members and volunteers to nominate themselves to become trustees of the organization. In this process of recruitment, the trustees will seek the views & recommendation of the elders and the Imams of the masjid regarding potential new trustees and their suitability to the post of trustee. Nominees to the trustee position are expected to be of good reputation with no blemishes on their reputation and, regular attendees of the masjid and regular attendees of events and functions organized by the masjid. All potential new trustees are invited to trustee meetings as observers and made aware of the role and scope of responsibilities that a trustee is expected to have by the organization and under the Charities Act. If all agree that the new trustee is capable of the role of trustee and the new trustee agrees to taking the role, then the trustee will be officially nominated as a trustee of the organization at the next meeting of the trustees. This process allows due consideration of an individual's eligibility, personal competence, specialist knowledge and standing within the community.

INDUCTION

Following appointment of a trustee, that individual will be introduced to their new role, they will be given a copy of the WJM Constitution, and all policies and procedures adopted by the organization. Trustees will also be directed to publications produced by the charity commission. This ensures that all new trustees are aware of the scope of their responsibilities under the Charities act. Initially new trustees will shadow existing trustees in their role and help deliver project, which fulfil the organizations objectives.

RISK MANAGEMENT

The trustees review all risks involved in running a charity on a regular basis and are satisfied that there are systems in place to manage any risks associated with running the organizations. Insurance cover is in place and all staff and trustees are CRB checked to ensure vulnerable groups are protected accessing the organization activities.

OBJECTIVES AND ACTIVITIES

The three key objectives of the Werneth Jamia Masjid are summarized as follows: -

To advance the understanding and practices of the Islamic faith in accordance with the Quran, Hadith and Sunnah of the prophet Muhammad (Sallallahu Alaihi Wassallam) and to provide and maintain suitable facilities for Islamic religious worship and the due performance of the rites of Islam

1. Provide suitable religious education for the Muslim and non-Muslim communities of Oldham.
2. Provide and maintain materials and accommodation where the religious aspirations of the Muslim community can be catered for.

The organizations objectives reflect our faith and the need of our community. The trustees and the organization review this need on a regular basis. Due to our current facilities our provision is limited to primarily providing prayer facilities for our local community and a limited education facility for local the local community.

NEW BUILDING

The Werneth area of Oldham has a large Muslim community which has substantially grown over the years. The Masjid is now operating at full capacity and in response, the community and the management committee have decided to embark on a new phase of development, which will be the building of a new purpose-built Masjid and educational center adjacent to the existing building. Land has been acquired from the Local authority at and planning permission has been achieved.

The new Masjid and Educational center have been designed with education and social welfare central to its day to-day provision and will accommodate up to 1500 additional worshipers and a major expansion in our educational facilities for both the Muslim and non-Muslim communities. New techniques in Islamic education and dawah will be developed to utilize modern technology such as computers and digital technologies to propagate the peaceful message of Islam.

The Masjid will comprise of 4 floors with the following provisions:

1. The first floor will be dedicated for community activities, e.g., recreational activities for the youth.
2. The second floor will be used for the five daily prayers and house an Islamic library.
3. The third floor will be dedicated for Islamic activities for women and girls and will provide separate access to the building.
4. The fourth floor will accommodate the Madrassah for children from the local community and surrounding areas.

CURRENT PROVISION

The masjid provides a range of activities related to practice of Islam, this varies throughout the year depending on prominent dates.

Prayers: -The organization main activity is to provide five daily prayer and all activities associated with them. During the week this will be approximately 150 people at regular prayers and up to 450 people on Friday prayers.

Festivities: The major festivities will be in the month of Ramadan (The month of fasting) where the Masjid will put on additional prayers and fast opening events on a daily basis

Funeral services: The masjid will lead the funeral of any member of its congregation and will support to the families affected by bereavement and the relive the families of arranging funeral prayers and burial where necessary. We would also support any emergency burial of none members of the masjid where a need arises.

Nikah (civil marriages): The masjid provides Muslim couples with an appropriate Nikah (civil marriage service) for its members and their families.

Quran Classes: The Masjid provides a supplementary school for 2 hour every weekday evening for people wishing to learn the Quran.

TRUSTEES REPORT FOR THE YEAR ENDED 31 MAR 2022 (CONTINUED)**FINANCIAL REVIEW****Reserves and fund raising**

The trustees have put in place a reserve policy of holding reserve fund for operating the masjid for 3 months. The masjid main attention is on fundraising the funds required to build the new building.

The aim is to raise £2 million in total through various fund-raising activities including lump sum donation, regular giving, fundraising events, charity shop, fundraising boxes, interest free loans, sponsorship event and TV and radio appeals. The organizations main source of income currently has been fundraising through its own membership.

This amount to a large increase in the organizations on previous years we hope it's the beginning of better to come as the plans in place for a larger building will need substantial new streams of fundraising revenue to receive to successfully complete the expansion plan the organization holds.

INVESTMENTS

The organization has no long term or short-term investment policies. Our cash reserves are kept in the organization deposit account. The key for the organization is to provide a suitable facility for the practice of our faith and the delivery of a suitable education program for the local community. We hope that the administration of the existing facilities will come from fundraising & giving.

Future Plan:

1. As mentioned previously the building of new facilities is a key development for the future.
2. Opening a fund rising charity shop
3. TV and radio fundraising appeal
4. Developing a community activities program

TRUSTEES REPORT FOR THE YEAR ENDED 31 MAR 2022 (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 other irregularities.

Approved by the trustees and signed on their behalf by;

Mohammed Shafiq Khan

Trustee

Date:

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WERNETH JAMIA MASJID FOR THE YEAR ENDED 31 MAR 2022

I report to the trustees on my examination of the accounts of WERNETH JAMIA MASJID ('the charity') for the year ended 31 Mar 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or

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



Muhammad Haleem Talib
Independent Examiner

Whitegate & Co Accountants
104 Broughton Lane
Salford
Manchester
M7 1UF

Date: 30/05/2023

Statement of Financial Activities

For the year ended 31 March 2022

	Notes	2022		2021	
		£	£	£	£
INCOMING RESOURCES		Restricted	General	Restricted	General
INCOME FOR THE YEAR	6		136,343.00		272,846.00
		-	136,343.00	-	272,846.00
LESS: RESOURCES EXPENDED					
Cost of generating funds					
Expenditure on charitable activities	6		14,281.00		19,365.00
TOTAL RESOURCES EXPENDED		-	14,281.00	-	19,365.00
NET INCOME FOR THE YEAR			122,062.00		253,481.00
BALANCE BROUGHT FORWARD			1,637,838.26		1,384,357.26
BALANCE CARRIED FORWARD		-	1,759,900.26	-	1,637,838.26

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

BALANCE SHEET

At 31st March 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible Assets	3	1,671,371.78	1,632,781.00
CURRENT ASSETS			
Debtors	4	-	120,000.00
Cash at bank and in hand		88,528.48	7,772.26
		88,528.48	127,772.26
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5		
Creditors		-	122,715.00
		-	122,715.00
NET CURRENT ASSETS		88,528.48	5,057.26
TOTAL ASSETS LESS CURRENT LIABILITIES		1,759,900.26	1,637,838.26
ACCUMULATED FUNDS			
Unrestricted funds brought forward	7	1,637,838.26	1,384,357.26
Unrestricted reserves for current year	7	122,062.00	253,481.00
		1,759,900.26	1,637,838.26

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

Trustee
Mohammed Shafiq Khan

Date :

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.

WERNETH JAMIA MASJID
NOTES TO THE ACCOUNTS (CONTINUED)
For the year ended 31 March 2022

Page 10

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 2022.

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.

NOTES TO THE ACCOUNTS
For the year ended 31 March 2022

3. TANGIBLE FIXED ASSETS

COST	Other Equipment £	Land & Building £	TOTAL £
At 1 April 2021	5,500	1,627,281	1,632,781
Additions		38,591	38,591
At 31 March 2022	<u>5,500</u>	<u>1,665,872</u>	<u>1,671,372</u>
NET BOOK VALUE			
At 31 March 2022	<u>5,500</u>	<u>1,665,872</u>	<u>1,671,372</u>
At 1 April 2021	<u>5,500</u>	<u>1,627,281</u>	<u>1,632,781</u>

4. DEBTORS

	2,022 £	2,021 £
Other debtors	0	120,000
	<u>0</u>	<u>120,000</u>

5. CREDITORS

	2,022 £	2,021 £
PAYE & NIC control account	0	0
Wages control account	0	0
Interest free community loans	0	122,715
	<u>0</u>	<u>122,715</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

6. ANALYSIS OF INCOME AND EXPENDITURE

	31 March 2022			31 March 2021		
	General	Restr- icted	Total	General	Restr- icted	Total
Income						
Incoming resources from generated funds						
Voluntary income	136,343		136,343	272,846		272,846
	<u>136,343</u>	<u>-</u>	<u>136,343</u>	<u>272,846</u>	<u>-</u>	<u>272,846</u>
Expenditure on charitable activities;						
Insurance	-		-	-		-
Water rates	459		459	276		276
Heat and light	12,896		12,896	5,326		5,326
Wages - Casual	-		-	-		-
Repaires	-		-	6,591		6,591
Bank Charges	-		-	6,670		6,670
Sundry expense	926		926	502		502
	<u>14,281</u>	<u>-</u>	<u>14,281</u>	<u>19,365</u>	<u>-</u>	<u>19,365</u>
NET INCOME	<u>122,062</u>	<u>-</u>	<u>122,062</u>	<u>253,481</u>	<u>-</u>	<u>253,481</u>
FUNDS BROUGHT FORWARD	1,637,838		1,637,838	1,384,357		1,384,357
FUNDS CARRIED FORWARD	<u>1,759,900</u>	<u>-</u>	<u>1,759,900</u>	<u>1,637,838</u>	<u>-</u>	<u>1,637,838</u>

NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

7. ACCUMULATED FUNDS

	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL £
Balance at 31 March 2021	1,637,838	-	1,637,838
Net income	122,062	-	122,062
Balance at 31 March 2022	<u>1,759,900</u>	<u>-</u>	<u>1,759,900</u>

8. CONTROLLING PARTY

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