

MAHABBA NETWORK

England & Wales - Charity number 1150090

Details

Other names MAHABBA NETWORK INTERNATIONAL MNI

Status Registered

Legal form Charitable company

Company number [08206456](#)

Registered 2012-12-07

Register [View on the Charity Commission register](#)

Contact

Address Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Phone 03003020017

Email HELLO@MAHABBANETWORK.COM

Website www.mahabbanetwork.com

Activities

Objects: THE CHARITY'S OBJECTS ('OBJECTS') ARE FOR THE PUBLIC BENEFIT TO ADVANCE THE CHRISTIAN FAITH IN ACCORDANCE WITH THE STATEMENT OF BELIEFS APPEARING IN THE SCHEDULE HERETO IN THE UNITED KINGDOM OR THE WORLD AS THE TRUSTEES MAY FROM TIME TO TIME THINK FIT AND TO FULFIL SUCH OTHER PURPOSES WHICH ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAW OF ENGLAND AND WALES AND ARE CONNECTED WITH THE CHARITABLE WORK OF THE CHARITY.

Activities: Activities that lead to improved social cohesion between Christian and Muslim communities

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Overseas Aid/famine Relief, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£29,712	£26,880	-	-
2024-08-31	£25,114	£27,922	-	-
2023-08-31	£23,313	£28,516	-	-
2022-08-31	£25,494	£27,143	-	-
2021-08-31	£24,570	£22,389	-	-
2020-08-31	£32,072	£24,305	-	-

Trustees

Name	Role	Appointed
Ian Gardner		2023-06-23
KATHRYN NAOMI KNIGHT		2015-06-24
Philip Alexander Simpson		2021-12-15
Raziya Mohammed		2025-05-30

MAHABBA NETWORK

England & Wales - Charity number 1150090

Accounts

Company registration number 08206456 (England and Wales)

Charity registration number 1150090 (England and Wales)

MAHABBA NETWORK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025



Caladine

Chartered Certified Accountants

MAHABBA NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Knight P Simpson I Gardner R Mohammed (Appointed 30 May 2025)
Secretary	S Cox (Resigned 30 April 2025)
Country of incorporation	United Kingdom (England and Wales)
Company registration number	08206456
Charity number (England and Wales)	1150090
Principal address	Reach Conference Centre Riverside Court Pride Park Derby Derbyshire DE24 8HY
Registered office	Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF

MAHABBA NETWORK

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MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

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 charity'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 charity objects are for the public benefit to advance the Christian Faith in accordance with the Statement of Beliefs in the United Kingdom or the World as the Trustees may from time to time think fit, and to fulfil such other purposes which are exclusively charitable according to the Law of England and Wales and are connected with the charitable work of the Charity.

Public benefit

The trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission and consider the objects and activities of the Charity to be for Public Benefit.

Achievements and performance

Mahabba continued in its desire to be a grassroots-led movement: our Network held a 'Vision Day' in June 2024. The equivalent of an AGM, but with a particular network feel, we gathered individuals from around the country, inspiring, encouraging and sharing together. This established the AVM as an annual event, focused on being even more accessible, helpful and relevant to people in our Network. People shared encouraging stories and the vision for praying for and interacting with Muslims.

Another success from the year were the online workshop-webinars on Zoom. Mahabba provided the publicity, platform and technology. Our Network helped to support and equip Mahabba groups through these online events. Among others, one addressed various ways Christians can support refugees in the UK.

Another highlight is the Resources Circle, which continues to gather, edit and curate a set of high-quality resources on the Mahabba website. These cover a broad range but focus on helping individuals and groups with prayer topics, ideas for prayer meetings, recommended books, and all for free. The resources area continues to be one of the most popular areas of the website and sees a significant amount of traffic around key search terms on how to engage positively with Muslims.

Mahabba's main focus continues to be on prayer. Each month around fifty Mahabba groups engage in prayer locally for Muslims at a place and time of their choosing, some of the groups meet weekly. Mahabba also hosted a monthly online day time prayer meeting on a Thursday and a weekly half hour prayer meeting on a Friday that was open to all.

During Ramadan (Feb/March 2025) Mahabba offered five weekly online prayer meetings on a Friday evening led by different Mahabba groups. A special online evening prayer meeting was also arranged 6 months on from Ramadan.

The network has continued to develop friendly, active WhatsApp groups for support and encouragement. These platforms have provided a practical out-working for sharing information, faith and building relationships.

Internally, volunteer team leaders of Circles within the Network (groups of volunteers that facilitate the activity of particular areas) met to look at how to meet the needs and challenges of individuals in the Network.

The annual in person gathering for Mahabba leaders took place in November 2024 in Birmingham where we reviewed and set priorities for the year.

MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

The charity recorded a surplus for the year of £2,832 (2024: deficit of £2,808). At the financial year end the charity held funds of £20,361 (2024: £17,529).

The charity has a reserve policy of maintaining reserves equivalent to at least three months operating expenditure. The charity has met this policy throughout the year.

Major risks

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

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 7 September 2012.

The trustees, who 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:

K Knight

P Simpson

I Gardner

R Mohammed

(Appointed 30 May 2025)

Recruitment and appointment of trustees

New trustees are appointed by the existing ones and suitable training and induction is provided.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.


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

Kathryn Knight

K Knight

Trustee

Date: 28/05/2026



P Simpson

Trustee

MAHABBA NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors of Mahabba Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MAHABBA NETWORK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAHABBA NETWORK

I report to the trustees on my examination of the financial statements of Mahabba Network (the charity) for the year ended 31 August 2025.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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 charity'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 charity 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.

John Caladine FCCA CTA FCIE
Chartered Certified Accountant
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Date:

MAHABBA NETWORK**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from:			
Donations and legacies	3	29,712	25,114
Total income		<u>29,712</u>	<u>25,114</u>
Expenditure on:			
Charitable activities	4	26,880	27,922
Total expenditure		<u>26,880</u>	<u>27,922</u>
Net income/(expenditure) and movement in funds		2,832	(2,808)
Reconciliation of funds:			
Fund balances at 1 September 2024		17,529	20,337
Fund balances at 31 August 2025		<u>20,361</u>	<u>17,529</u>

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

MAHABBA NETWORK**STATEMENT OF FINANCIAL POSITION****AS AT 31 AUGUST 2025**

	Notes	2025 £	£	2024 £	£
Current assets					
Trade and other receivables	10	355		82	
Cash at bank and in hand		21,447		20,327	
		21,802		20,409	
Current liabilities	11	(1,441)		(2,880)	
Net current assets			20,361		17,529
The funds of the charity					
Unrestricted funds	12		20,361		17,529
			20,361		17,529

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 August 2025. 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.

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 28/05/2026.....

Kathryn Knight

K Knight
Trustee



P Simpson
Trustee

Company registration number 08206456 (England and Wales)

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Company information

Mahabba Network is a private company limited by guarantee incorporated in England and Wales. The registered office is Chantry House, 22 Upperton Road, Eastbourne, East Sussex, BN21 1BF.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity'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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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.

1.4 Income

Income is recognised when the charity 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 charity 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.

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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies (Continued)

Expenditure is recognised when an obligation exists, payment is probable and the amount is measurable. Resources expended include irrecoverable VAT.

1.6 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.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Taxation

The trustees consider that the charity is not liable to United Kingdom corporation taxation on its charitable activities.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and judgements

In the application of the charity'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 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	16,212	14,114
Grants	13,500	11,000
	<u>29,712</u>	<u>25,114</u>

4 Expenditure on charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Direct costs		
Website and Social Media	8,511	7,892
Conferences and Events	1,681	952
Hospitality	304	-
Travel	1,080	916
Sundry Expenses	127	429
	<u>11,703</u>	<u>10,189</u>
Grant funding of activities (see note 5)	1,650	500
Share of support and governance costs (see note 6)		
Support	11,750	15,578
Governance	1,777	1,655
	<u>26,880</u>	<u>27,922</u>
Analysis by fund		
Unrestricted funds	<u>26,880</u>	<u>27,922</u>

MAHABBA NETWORK**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****5 Grants payable**

	Charitable activities 2025 £	Charitable activities 2024 £
Grants to institutions:		
Eastons Christian Family Centre	-	500
Carly Baptist Church	500	-
	<u>500</u>	<u>500</u>
Grants to individuals	1,150	-
	<u>1,650</u>	<u>500</u>

6 Support costs allocated to activities

	2025 £	2024 £
Rent	360	995
Insurance	121	132
Support - Contractors	9,600	12,400
Postage and stationary	934	321
Subscriptions	375	1,370
Bookkeeping	360	360
Governance costs	1,777	1,655
	<u>13,527</u>	<u>17,233</u>
<u>Analysed between:</u>		
Charitable activities	<u>13,527</u>	<u>17,233</u>

Governance costs comprise:	2025 £	2024 £
Accountancy	988	988
Bank charges	337	215
Independent Examination	452	452
	<u>1,777</u>	<u>1,655</u>

Governance costs above includes payments to the Independent Examination of £452 (2024: £452) for Independent Examination work and £988 (2024: £988) for other services.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

7 Trustees

During the year two trustees received expenses for travel totaling £140.

During the year trustees made aggregate donations of £425 (2024: £nil).

8 Employees

There were no employees during the year.

	2025 Number	2024 Number
Total	-	-

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

9 Taxation

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

10 Trade and other receivables

	2025 £	2024 £
Amounts falling due within one year:		
Other receivables	355	82

11 Current liabilities

	2025 £	2024 £
Accruals and deferred income	1,441	2,880

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

	At 1 September 2024 £	Incoming resources £	Resources expended £	At 31 August 2025 £
Generosity (tithe) fund	4,812	-	(1,650)	3,162
General funds	12,717	29,712	(25,230)	17,199
	<u>17,529</u>	<u>29,712</u>	<u>(26,880)</u>	<u>20,361</u>

MAHABBA NETWORK**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****12 Unrestricted funds (Continued)**

Previous year:	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
Generosity (tithe) fund	5,312	-	(500)	4,812
General funds	15,025	25,114	(27,422)	12,717
	<u>20,337</u>	<u>25,114</u>	<u>(27,922)</u>	<u>17,529</u>

To ensure clear presentation in the accounts, the trustees have decided to show the Generosity (tithe) fund separately.

This fund represents monies set aside by the trustees to be used for specific projects upon receipt of appropriate grant applications.

13 Related party transactions

There were no disclosable related party transactions during the year.

MAHABBA NETWORK

England & Wales - Charity number 1150090

Accounts

Charity registration number 1150090

Company registration number 08206456 (England and Wales)

MAHABBA NETWORK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024



Caladine

Chartered Certified Accountants

MAHABBA NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Knight P Simpson I Gardner
Secretary	S Cox
Charity number	1150090
Company number	08206456
Principal address	Reach Conference Centre Riverside Court Pride Park Derby Derbyshire DE24 8HY
Registered office	Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF

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MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 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 charity'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 charity objects are for the public benefit to advance the Christian Faith in accordance with the Statement of Beliefs in the United Kingdom or the World as the Trustees may from time to time think fit, and to fulfil such other purposes which are exclusively charitable according to the Law of England and Wales and are connected with the charitable work of the Charity.

Public benefit

The trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission and consider the objects and activities of the Charity to be for Public Benefit.

Achievements and performance

Mahabba is a grassroots-led network focussed on encouraging Christians to pray for Muslims as well as facilitating suitable practical out-workings for sharing their faith and building relationships. The following are some highlights from the past year.

- Our Network followed on from the previous in-person Vision Day with a fully, digital and online Vision Hour in June 2024. We gathered even more people and heard encouragements, stories and shared vision for praying for and interacting with Muslims: "The experience of being there was great and I enjoyed watching the short stories."
- We again facilitated various online workshops and seminars via Zoom. These were predominantly delivered by volunteers from within the Network with a particular passion or experience. Among others, one sought to help Christians understand how to engage with Muslims in a predominantly hostile atmosphere. Another focussed on how to support Muslims when they had suffered a bereavement in their family
- Mahabba again made Ramadan an annual focus for gathering Christians to pray for Muslims across the 30 days. Different Mahabba groups from across the Network took turns to host and lead a central gathering for prayer and discussion during the month
- Another highlight was a campaign led by the Prayer Circle (a group of volunteers that facilitates the activity of a particular area in the Network): namely a seven-day prayer challenge to increase awareness of reaching Muslims among Christians who have never considered before considered it: "A really great encouragement which has continued to help me to keep praying & have conversations with my Muslim neighbours & colleagues."

Financial review

The charity recorded a deficit for the year of £2,808 (2023: deficit of £5,203). At the financial year end the charity held funds of £17,529 (2023: £20,337).

The charity has a reserve policy of maintaining reserves equivalent to at least three months operating expenditure. The charity has met this policy throughout the year.

Major risks

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

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 7 September 2012.

MAHABBA NETWORK

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

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who 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:

A Dimmock (Treasurer)	(Resigned 6 December 2023)
K Knight	
P Simpson	
I Gardner	
N Sultan	(Resigned 23 June 2024)

Recruitment and appointment of trustees

New trustees are appointed by the existing ones and suitable training and induction is provided.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

Katy Knight

K Knight
Trustee

7 March 2025

Phillip Simpson

P Simpson
Trustee

MAHABBA NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of Mahabba Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MAHABBA NETWORK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAHABBA NETWORK

I report to the trustees on my examination of the financial statements of Mahabba Network (the charity) for the year ended 31 August 2024.

Responsibilities and basis of report

As the trustees of the charity (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).

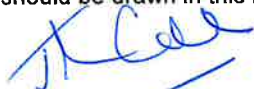
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act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



John Caladine FCCA CTA FCIE

Chartered Certified Accountant

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 7 March 2025

MAHABBA NETWORK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	25,114	23,313
Total income		<u>25,114</u>	<u>23,313</u>
Expenditure on:			
Charitable activities	4	27,922	28,516
Total expenditure		<u>27,922</u>	<u>28,516</u>
Net expenditure and movement in funds		(2,808)	(5,203)
Reconciliation of funds:			
Fund balances at 1 September 2023		<u>20,337</u>	<u>25,540</u>
Fund balances at 31 August 2024		<u>17,529</u>	<u>20,337</u>

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

MAHABBA NETWORK

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Trade and other receivables	10	82		-	
Cash at bank and in hand		20,327		21,777	
		<u>20,409</u>		<u>21,777</u>	
Current liabilities	11	(2,880)		(1,440)	
Net current assets			<u>17,529</u>		<u>20,337</u>
The funds of the charity					
Unrestricted funds	12		<u>17,529</u>		<u>20,337</u>
			<u>17,529</u>		<u>20,337</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 August 2024. 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.

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 7 March 2025

Katy Knight

K Knight
Trustee

Phillip Simpson

P Simpson
Trustee

Company registration number 08206456 (England and Wales)

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Company information

Mahabba Network is a private company limited by guarantee incorporated in England and Wales. The registered office is Chantry House, 22 Upperton Road, Eastbourne, East Sussex, BN21 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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.

1.4 Income

Income is recognised when the charity 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 charity 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.

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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Expenditure is recognised when an obligation exists, payment is probable and the amount is measurable. Resources expended include irrecoverable VAT.

1.6 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.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Taxation

The trustees consider that the charity is not liable to United Kingdom corporation taxation on its charitable activities.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and judgements

In the application of the charity'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 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	14,114	15,813
Grants	11,000	7,500
	<u>25,114</u>	<u>23,313</u>

4 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Website and Social Media	7,892	7,303
Conferences and Events	952	2,918
Travel	916	977
Sundry Expenses	429	273
	<u>10,189</u>	<u>11,471</u>
Grant funding of activities (see note 5)	500	1,500
Share of support and governance costs (see note 6)		
Support	15,578	13,852
Governance	1,655	1,693
	<u>27,922</u>	<u>28,516</u>
Analysis by fund		
Unrestricted funds	<u>27,922</u>	<u>28,516</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Grants payable

	Charitable activities 2024 £	Charitable activities 2023 £
Grants to institutions:		
Fountains Church	-	1,000
Eastons Christian Family Centre	500	-
	<u>500</u>	<u>1,000</u>
Grants to individuals	-	500
	<u>500</u>	<u>1,500</u>

6 Support costs allocated to activities

	2024 £	2023 £
Rent	995	1,095
Insurance	132	86
Support - Contractors	12,400	12,000
Postage and stationary	321	296
Subscriptions	1,370	225
Bookkeeping	360	150
Governance costs	1,655	1,693
	<u>17,233</u>	<u>15,545</u>
<u>Analysed between:</u>		
Charitable activities	<u>17,233</u>	<u>15,545</u>

	2024 £	2023 £
Governance costs comprise:		
Accountancy	988	988
Bank charges	215	253
Independent Examination	452	452
	<u>1,655</u>	<u>1,693</u>

Governance costs above includes payments to the Independent Examination of £452 (2023: £452) for Independent Examination work and £988 (2023: £988) for other services.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

7 Trustees

During the year two trustees received expenses for travel totaling £106.

During the year trustees made aggregate donations of £nil (2023: £60)

8 Employees

There were no employees during the year.

	2024 Number	2023 Number
Total	-	-

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

9 Taxation

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

10 Trade and other receivables

	2024 £	2023 £
Amounts falling due within one year:		
Other receivables	82	-

11 Current liabilities

	2024 £	2023 £
Accruals and deferred income	2,880	1,440

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

	At 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2024 £
Generosity (tithe) fund	5,312	-	(500)	-	4,812
General funds	15,025	25,114	(27,422)	-	12,717
	<u>20,337</u>	<u>25,114</u>	<u>(27,922)</u>	<u>-</u>	<u>17,529</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Unrestricted funds (Continued)

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Generosity (tithe) fund	-	-	-	5,312	5,312
General funds	25,540	23,313	(28,516)	(5,312)	15,025
	<u>25,540</u>	<u>23,313</u>	<u>28,516</u>	<u>-</u>	<u>20,337</u>

To ensure clear presentation in the accounts, the trustees have decided to show the Generosity (tithe) fund separately.

This fund represents monies set aside by the trustees to be used for specific project upon receipt of appropriate grant applications. Previously these funds have been incorporated within General Funds, but going forwards this will be itemised separately and this is reflected in the transfer above.

13 Related party transactions

There were no disclosable related party transactions during the year.

MAHABBA NETWORK

England & Wales - Charity number 1150090

Accounts

Charity registration number 1150090

Company registration number 08206456 (England and Wales)

MAHABBA NETWORK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



Caladine
Chartered Certified Accountants

MAHABBA NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Dimmock (Treasurer) K Knight P Simpson	(Appointed 15 December 2021)
Secretary	S Cox	
Charity number	1150090	
Company number	08206456	
Principal address	The Riverside Centre Riverside Court Pride Park Derby Derbyshire DE24 8HY	
Registered office	Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF	

MAHABBA NETWORK

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Statement of financial position	6
Notes to the financial statements	7 - 11

MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report and financial statements for the year ended 31 August 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 charity'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 charity changed its name on 16 November 2017 from Mahabba Network International MNI to Mahabba Network.

The charity objects are for the public benefit to advance the Christian Faith in accordance with the Statement of Beliefs in the United Kingdom or the World as the Trustees may from time to time think fit, and to fulfil such other purposes which are exclusively charitable according to the Law of England and Wales and are connected with the charitable work of the Charity.

The trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission and consider the objects and activities of the Charity to be for Public Benefit.

Achievements and performance

The Network has continued to support local groups around the country, although the after effects of the COVID-19 pandemic meant that total dipped below 60. Despite this, a network-wide survey helped to understand how the Network could support groups to move forward.

Several of the Circles within the Network have been active throughout the year. These are groups of volunteers that facilitate the activity of particular areas. The Prayer Circle ran a successful Ramadan campaign, calling people to pray for Muslims as they fasted. It also gathered Christians from across the wider Network for a well-received prayer meeting on the Night of Power.

Equally, the Resources Circle has performed an excellent job of gathering, editing and curating a set of high quality resources on the Mahabba website. These resources cover a range of topics, but all focussed on helping individuals and groups with prayer topics, ideas for prayer meetings, recommended books, and all for free.

On the topic of prayer, the Prayer Circle also developed a regular routine of sending scheduled prayer fuel to e-mail subscribers. This comprises of points and topics for prayer in a monthly e-mail to prompt, inspire and facilitate ongoing prayer in the Christian community for Muslims.

As a whole, the Network continues to develop how it can better reflect its desire to be a grassroots-led movement. Discussions have been ongoing on how to set direction and make decisions that are most reflective of people on the ground praying for and engaging with Muslims.

Financial review

The charity recorded a deficit for the year of £1,649 (2021: surplus of £2,181). At the financial year end the charity held funds of £25,540 (2021: £27,189).

The charity has a reserve policy of maintaining reserves equivalent to at least three months operating expenditure. The charity has met this policy throughout the year.

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

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 7 September 2012.

MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

The trustees, who 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:

B Knell (Chair)	(Resigned 15 December 2021)
A Dimmock (Treasurer)	
K Knight	
P Rawlings	(Resigned 15 December 2021)
A Garcia	(Resigned 15 September 2021)
S Cox	(Appointed 15 December 2021 and resigned 7 September 2022)
P Simpson	(Appointed 15 December 2021)

New trustees are appointed by the existing ones and suitable training and induction is provided.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

A Dimmock (Treasurer)
Trustee

K Knight
Trustee

1 March 2023

MAHABBA NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees, who are also the directors of Mahabba Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MAHABBA NETWORK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAHABBA NETWORK

I report to the trustees on my examination of the financial statements of Mahabba Network (the charity) for the year ended 31 August 2022.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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 charity'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 charity 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.

John Caladine FCCA CTA FCIE

Chartered Certified Accountant

Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 2 March 2023

MAHABBA NETWORK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
Income from:			
Donations and legacies	3	25,494	24,570
		<hr/>	<hr/>
Expenditure on:			
Raising funds	4	-	600
		<hr/>	<hr/>
Charitable activities	5	27,143	21,789
		<hr/>	<hr/>
Total expenditure		27,143	22,389
		<hr/>	<hr/>
Net (expenditure)/income for the year/ Net movement in funds		(1,649)	2,181
Fund balances at 1 September 2021		27,189	25,008
		<hr/>	<hr/>
Fund balances at 31 August 2022		25,540	27,189
		<hr/> <hr/>	<hr/> <hr/>

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.

MAHABBA NETWORK

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Cash at bank and in hand		26,980		28,989	
Current liabilities	10	<u>(1,440)</u>		<u>(1,800)</u>	
Net current assets			<u>25,540</u>		<u>27,189</u>
Income funds					
Unrestricted funds			<u>25,540</u>		<u>27,189</u>
			<u>25,540</u>		<u>27,189</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 August 2022. 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.

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 1 March 2023

A Dimmock (Treasurer)
Trustee

K Knight
Trustee

Company registration number 08206456

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Mahabba Network is a private company limited by guarantee incorporated in England and Wales. The registered office is Chantry House, 22 Upperton Road, Eastbourne, East Sussex, BN21 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity'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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

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.

1.4 Income

Income is recognised when the charity 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 charity 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.

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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

Expenditure is recognised when an obligation exists, payment is probable and the amount is measurable. Resources expended include irrecoverable VAT.

1.6 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.

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Taxation

The trustees consider that the charity is not liable to United Kingdom corporation taxation on its charitable activities.

2 Critical accounting estimates and judgements

In the application of the charity'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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	14,994	14,070
Grants	10,500	10,500
	<u>25,494</u>	<u>24,570</u>

4 Raising funds

	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Fundraising costs	-	600
	<u>-</u>	<u>600</u>

5 Charitable activities

	2022	2021
	£	£
Website and Social Media	6,845	5,886
Conferences and Events	1,699	48
Hospitality	178	-
Travel	652	181
Sundry Expenses	217	143
Graphic Design	-	240
Advertising	271	494
	<u>9,862</u>	<u>6,992</u>
Grant funding of activities (see note 6)	2,000	-
Share of support costs (see note 7)	13,646	12,873
Share of governance costs (see note 7)	1,635	1,924
	<u>27,143</u>	<u>21,789</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Grants payable

	2022 £	Total 2021 £
Grants to institutions:		
Bridgeway Mission	1,000	-
Fountains Church	1,000	-
	<u>2,000</u>	<u>-</u>

7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Rent	1,011	-	1,011	669	-	669
Insurance	385	-	385	363	-	363
Support - Contractors	12,000	-	12,000	11,400	-	11,400
Postage and Stationery	25	-	25	216	-	216
Subscriptions	225	-	225	225	-	225
Accountancy	-	980	980	-	1,280	1,280
Bank Charges	-	255	255	-	244	244
Independent Examination	-	400	400	-	400	400
	<u>13,646</u>	<u>1,635</u>	<u>15,281</u>	<u>12,873</u>	<u>1,924</u>	<u>14,797</u>
<u>Analysed between</u>						
Charitable activities	<u>13,646</u>	<u>1,635</u>	<u>15,281</u>	<u>12,873</u>	<u>1,924</u>	<u>14,797</u>

8 Trustees

Simon Cox (who was a trustee between December 2021 and September 2022), provides consultancy services to the charity. Payments of £8,000 were made to the business of Simon Cox during the period in the year that he was a trustee.

During the year trustees made aggregate donations of £540 (2021:£1,182).

9 Employees

There were no employees during the year.

	2022 Number	2021 Number
Total	<u>-</u>	<u>-</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Employees (Continued)

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

10 Current liabilities

	2022	2021
	£	£
Accruals and deferred income	1,440	1,800
	<u>1,440</u>	<u>1,800</u>

11 Related party transactions

There were no disclosable related party transactions during the year.

MAHABBA NETWORK

England & Wales - Charity number 1150090

Accounts

Charity Registration No. 1150090

Company Registration No. 08206456 (England and Wales)

MAHABBA NETWORK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



Caladine

Chartered Certified Accountants

MAHABBA NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	B Knell (Chair) A Dimmock (Treasurer) A Martin K Knight P Rawlings A Garcia A Bazmjou
Secretary	S Cox
Charity number	1150090
Company number	08206456
Principal address	The Riverside Centre Riverside Court Pride Park Derby DE24 8HY
Registered office	Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF
Independent examiner	John Caladine FCCA CTA FCIE Caladine Limited Chantry House 22 Upperton Road Eastbourne East Sussex BN21 1BF

MAHABBA NETWORK

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Independent examiner's report	4
Statement of financial activities	5
Statement of financial position	6
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MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their report and financial statements for the year ended 31 August 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 Charity'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 Charity changed its name on 16 November 2017 from Mahabba Network International MNI to Mahabba Network.

The Charity objects are for the public benefit to advance the Christian Faith in accordance with the Statement of Beliefs in the United Kingdom or the World as the Trustees may from time to time think fit, and to fulfil such other purposes which are exclusively charitable according to the Law of England and Wales and are connected with the charitable work of the Charity.

The trustees have complied with their duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission and consider the objects and activities of the Charity to be for Public Benefit.

Achievements and performance

2020 was, of course, not the year that the Network planned for and expected. The 70 plus local Mahabba groups have had to respond to the challenging circumstances presented by the pandemic, taking prayer gatherings and equipping on-line and reaching out to local communities, neighbours and friends through virtual means, apps, etc. Groups have grown through being more accessible in these ways. These on-line 'platforms' will continue to serve the Network well in the future following the pandemic.

Training courses have been adapted and have transferred well to being run virtually. Regional 'Vision' events and webinars have been well received. The Network's on-line conversation forum continues to provide for the sharing of ideas and raising of questions for discussion. Monthly updates continue by email along with regular blogs, vlogs and podcasts including case studies from local settings.

New literature has been produced for promotion and welcome, starting of new groups, linked churches and supporting friends of the Network. The website has been refreshed and a Social Media strategy is being developed.

Organisationally some significant developments have strengthened the Network. A number of 'Circles' (working groups) have been established to focus and take responsibility in areas such as the provision of resources (with a growing repository on the website) and promotion (raising profile and awareness). The circles are made up of people with specific areas of experience; drawn from the Network to serve the wider network

Financial review

The charity recorded a surplus for the year of £7,767 (2019:£2,906). At the financial year end the charity held funds of £25,008 (2019:£17,241).

The charity has a reserve policy of maintaining reserves equivalent to three months operating expenditure. The increase in the funds that the charity held at the year end combined with lower expenditure in 2019-20 means that the charity is meeting this policy.

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

MAHABBA NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

The Charity is a company limited by guarantee, incorporated on 7 September 2012.


The Trustees, who 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:

B Knell (Chair)	
A Dimmock (Treasurer)	
A Martin	
K Knight	
A James	(Resigned 17 June 2020)
P Rawlings	
A Holdstock	(Resigned 17 March 2021)
A Garcia	
J Stewart	(Resigned 17 March 2021)
A Bazmjou	(Appointed 17 September 2020)
J Dhell	(Appointed 17 September 2020 and resigned 17 March 2021)

New trustees are appointed by the existing ones and suitable training and induction is provided.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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



B Knell (Chair)

Trustee

Dated: 19 May 2021

MAHABBA NETWORK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also the directors of Mahabba Network for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MAHABBA NETWORK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAHABBA NETWORK

I report to the Trustees on my examination of the financial statements of Mahabba Network (the Charity) for the year ended 31 August 2020.

Responsibilities and basis of report

As the Trustees of the Charity (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 Charity 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 Charity'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 Charity 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.



John Caladine FCCA CTA FCIE

Chartered Certified Accountant
Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Dated: 19 May 2021

MAHABBA NETWORK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	32,066	-	32,066	35,302	-	35,302
Investments	4	6	-	6	18	-	18
Total income		32,072	-	32,072	35,320	-	35,320
Expenditure on:							
Raising funds	5	600	-	600	575	-	575
Charitable activities	6	21,517	2,188	23,705	31,839	-	31,839
Total resources expended		22,117	2,188	24,305	32,414	-	32,414
Net income/(expenditure) for the year/							
Net movement in funds		9,955	(2,188)	7,767	2,906	-	2,906
Fund balances at 1 September 2019		15,053	2,188	17,241	12,147	2,188	14,335
Fund balances at 31 August 2020		25,008	-	25,008	15,053	2,188	17,241

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.

MAHABBA NETWORK

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Trade and other receivables	11	1,877		6,766	
Cash at bank and in hand		24,931		13,335	
		<u>26,808</u>		<u>20,101</u>	
Current liabilities	12	(1,800)		(2,860)	
Net current assets			25,008		17,241
Income funds					
Restricted funds	13		-		2,188
Unrestricted funds			25,008		15,053
			<u>25,008</u>		<u>17,241</u>

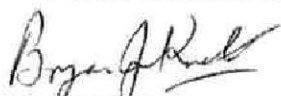
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020. The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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 May 2021



B Knell (Chair)
Trustee

Company Registration No. 08206456

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Company information

Mahabba Network is a private company limited by guarantee incorporated in England and Wales. The registered office is Chantry House, 22 Upperton Road, Eastbourne, East Sussex, BN21 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity'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)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. 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 date of this report, there remains some uncertainty regarding the potential impact of the Coronavirus and the economic consequences which may result from government policies to contain the spread.

However, the Trustees are confident that the Trust has sufficient reserves to continue operations and continue to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

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

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.

1.4 Income

Income is recognised when the Charity 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 Charity 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.

1.5 Expenditure

Expenditure is recognised when an obligation exists, payment is probable and the amount is measurable. Resources expended include irrecoverable VAT.

1.6 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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

1.7 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

The trustees consider that the charity is not liable to United Kingdom corporation taxation on its charitable activities.

2 Critical accounting estimates and judgements

In the application of the Charity'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.

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	22,066	25,302
Grants	10,000	10,000
	<u>32,066</u>	<u>35,302</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2019	2020
	£	£
Interest receivable	6	18
	<u>6</u>	<u>18</u>

5 Raising funds

	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Fundraising costs	600	575
	<u>600</u>	<u>575</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

6 Charitable activities

	2020 £	2019 £
Website	1,816	1,690
Consultancy (Facilitators)	-	10,600
Conference Fees	356	288
Hospitality	41	953
Resources	-	130
Travel	1,388	2,523
Sundry Expenses	375	549
Graphic Design	545	-
	<u>4,521</u>	<u>16,733</u>
Grant funding of activities (see note 7)	3,308	-
Share of support costs (see note 8)	13,846	13,034
Share of governance costs (see note 8)	2,030	2,072
	<u>23,705</u>	<u>31,839</u>
Analysis by fund		
Unrestricted funds	21,517	31,839
Restricted funds	2,188	-
	<u>23,705</u>	<u>31,839</u>

7 Grants payable

	2020 £	2019 £
Grants to institutions:		
Cover the Borough	2,188	-
Tithe Donations	1,120	-
	<u>3,308</u>	<u>-</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs

	Support costs £	Governance costs £	Total 2020 £	Support costs £	Governance costs £	Total 2019 £
Rent	600	-	600	1,200	-	1,200
Insurance	354	-	354	246	-	246
Support - Contractors	11,400	-	11,400	10,925	-	10,925
Postage and Stationery	1,082	-	1,082	420	-	420
Telephone and Internet	60	-	60	48	-	48
Subscriptions	350	-	350	195	-	195
Trustee's Expenses	-	-	-	-	67	67
Accountancy	-	1,340	1,340	-	1,460	1,460
Bank Charges	-	290	290	-	145	145
Independent Examination	-	400	400	-	400	400
	<u>13,846</u>	<u>2,030</u>	<u>15,876</u>	<u>13,034</u>	<u>2,072</u>	<u>15,106</u>
<u>Analysed between</u>						
Charitable activities	<u>13,846</u>	<u>2,030</u>	<u>15,876</u>	<u>13,034</u>	<u>2,072</u>	<u>15,106</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. The charity reimbursed travel expenses of £0 (2019: £67) for two trustees.

During the year trustees made aggregate donations of £1,500 (2019: £1,390).

10 Employees

There were no employees during the year.

	2020 Number	2019 Number
Total	<u>-</u>	<u>-</u>

11 Trade and other receivables

	2020 £	2019 £
Amounts falling due within one year:		
Other receivables	1,877	6,718
Prepayments and accrued income	-	48
	<u>1,877</u>	<u>6,766</u>

MAHABBA NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

12 Current liabilities

	2020 £	2019 £
Accruals	1,800	2,860

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 August 2020 £
	Balance at 1 September 2018 £	Incoming resources £	Balance at 1 September 2019 £	Resources expended £	
Cover The Borough	2,188	-	2,188	(2,188)	-

The restricted fund is a grant received in 2017-18 to focus on the charity's 'Cover the Borough' project. All of the funds were spent in 2019-20.

14 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances are represented by:						
Current assets/ (liabilities)	25,008	-	25,008	15,053	2,188	17,241
	25,008	-	25,008	15,053	2,188	17,241

15 Financial commitments, guarantees and contingent liabilities

The trust have a rolling annual licence with CCD which is subject to variation (2020: £600) (2019: £1,200).

16 Related party transactions

Payments were made of £600 (2019:£1,200) to CCD for a desk where Trustee Adam Martin is part of the senior management team.