

**LEICESTER MARKAZ TRUST**

Accounts

**31st March 2021**

*Charity Number : 1163994*

## **Leicester Markaz Trust**

**Charity Registered number :** 1163994

### **Trustees' Report**

The trustees present their annual report and financial statements covering the year to 31st March 2021. The trustees have adapted the, provision of the Statement of Recommended Practise (SORP) 'Accounting and Reporting by Charities' (FRS 102) in preparing the annual report and financial statement of the charity.

#### **Name, Registered office and Constitution of The Company**

The full name of the charity is Leicester Markaz Trust. The charity was registered as a charity on 15th October 2015. The charity is also known 'Masjid Usman'. The principal activity of the charity is carried out at 162, Nedham Street, Leicester. LE2 OHB.

The property was purchased in 1990 principally from collections and donations from the residents of Leicester. The present senior trustees have continuously managed the trust from commencement.

During 1996 the trust purchased an investment property in order to earn a continuous stream of incomes to contribute to the trust's overheads.

#### **Objectives/general activities**

The organisation's principal objectives are:

- The advancement and propagation of Islam for the public benefit in accordance in with the tenets and doctrines of Ahlus Sunnah Wal Jammāt (principles set out by the Deobandi group).
- To advance the education of the public in general on matters relating to Islam.
- Bringing people closer to their creator.
- Educating people to become responsible citizens and to make positive contributions to society.

In aiming to fulfil the above objectives the following activities/events have taken place over the course of the year:

#### **Prayers**

Comfortable facilities are provided and maintained for worshippers to perform ablution and perform their five time prayers. The charity facilitates to provide five times prayer with congregation, giving an opportunity to the members of the public to fulfil one of the biggest tenets in Islam in a dignified and benevolent manner. The number of worshippers are constantly increasing.

#### **Contemplation**

The facilities of Masjid Usman (Leicester Markaz Trust) are open to the public on a daily basis for 365 days of the year for up to 18 hours of the day. This allows the public to come, reflect and contemplate over one's actions in this life in a tranquil and serene environment. It also provides an opportunity to members of the public to repent over one's sins and recognise one's creator.

#### **Counselling, Advice and Guidance**

Masjid Usman (LMT) employs a full time imam who is on hand throughout the day to advice, support and provide counselling for those who may be suffering from anxiety, depression, bereavement, marital difficulties, drugs and alcohol related issues. The imam provides counselling and advice for those members of the public who may need it. The imam is also on hand to provide guidance and educate the public in religious matters.

#### **Lectures/seminars**

There are weekly lectures on Thursday nights which encourage worshippers to become Muslims who recognise their creator, fulfil his commandments, follow the teachings of the prophet Muhammed (saw), learn Islam from the right sources and develop good character and morals. A Muslim that has compassion for the creation is a good citizen in society, tolerant of others and their beliefs and one who is conscious of the creator and the hereafter. The persons attending on Thursday come from all over the Midlands area and from all backgrounds.

## **Leicester Markaz Trust**

**Charity Registered number :** 1163994

### **Trustees' Report**

#### **Special Events**

Over the year special events were arranged to address issues faced by different denominations of society with an aim to create links to help and support each other and the wider community. This year events were arranged for:

The Youth – tackling issues relating to drugs, alcohol, smoking, CSE, grooming, knives and weapons, reformation and spiritual development

University Students - Welcoming, supporting, housing, support services. A welcoming function is organised in September / October and there is support for students throughout the Academic Year.

- Professionals- creating links to help the wider community
- Refugees and Asylum seekers – creating links with refugees, making them feel welcome to the community and assisting them in their needs.

#### **Regional Hub**

Masjid Usman (LMT) acts as a regional hub for mosques in the East Midlands. This creates bonds with the mosques in the East Midlands; develops out-reach programs from each mosque in to the various communities and provides advice for volunteers in the various mosques.

#### **Public Benefit**

The directors believe that the organisation satisfies the requirements of section 17 of the Charities Act 2011 regarding public benefit because the general community benefits from the organisation's activities.

#### **Management Structure**

The charity's trustees for the period from 1st April 2020 to the date of this report are as follows :-

Mr Suleman Omarji Makadam

Mr Ahmed Issat

Mr Mohamed Ikbal Abowath (resigned 15th January 2021)

Mr Mahmood Ghodawala

Mr Mohamed Ibrahim Patel

Mr Shoaib Khan

The trustees would like to express their sincere appreciation and gratitude for the many years of services provided by Mr M I Abowath who unfortunately had to resign due to ill health.

The day-to-day operations of the organisation has been entrusted to the trustees, who meet on a daily basis. None of the trustees are remunerated.

The organisation also use the services of many volunteers.

#### **Fixed Assets**

Although the organisation was registered at the Charities Commission in October 2015 the trust had been operating for many years prior to registration.

The charity owns two freehold premises: one situated at 162, Nedham Street, Leicester. LE2 OHB which is functional and where nearly all the charity's activities are carried out., and the other situated at Hart Road, Leicester, LE2, which is the investment property. Both of the properties are free from any loans or mortgages and stated at the trustees' valuation.

The trustees believe that the charity's fixed assets are sufficient to meet the objectives.

## Leicester Markaz Trust

Charity Registered number :

1163994

### Trustees' Report

#### Financial Results/Reserves

Despite the covid pandemic affecting the overall activities, the charity still received £61,567 in collections and donations.

Consequently, during the year the charity's net incoming resources was £34,734 (2020- £64,825) . All of the charity's reserves are unrestricted. At 31st March 2021 the charity's reserves were £807,473.

The charity's liquid funds at 31st March 2021 were in excess of £130,000 which is sufficient to meet the day-to-day operating expenses for a considerable period.

#### Grant-making and Investment Policies

The charity does not normally make any grants. Apart from the investment property the company's only investment at 31st March 2021 was the short-term deposit account.

#### Professional Services

During the year to 31st March 2021 the company utilised the services from the following:-

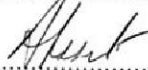
Bankers - Nat West Bank plc, Santander Bank and Al-Rayan Bank , Leicester

Accountants - Crystal Business Services Limited, Chartered Accountants , Coventry

This report was approved by the charity's trustees on 27th January 2022 .

AHMED ISSAT

Name



SULEMAN OMARJI MAKADAM

Name



**Leicester Markaz Trust**

**Charity Registered number :**

**1163994**

**Independent Examiner's Report to the Leicester Markaz Trust**

I report on the accounts of the company for the period ended 31st March 2021 which are set out on pages 5 to 9.

**Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute Of Chartered Accountants In England & Wales.

Having satisfied myself that the charity is not subject to audit under Charities Act 2011 and is eligible for independent examination, it is my responsibility to:

*\* examine the accounts under section 145 of the 2011 Act;*

*\* follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and*

*\* state whether particular matters have come to my attention.*

**Basis of independent examiner's report**

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

**Independent examiner's statement**

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

1) which gives me reasonable cause to believe that, in any material respect, the requirements:

*\* to keep accounting records in accordance with the Charities Act 2011; and*

*\* to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities*

have not been met; or

2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr Akbar Dedat  
Chartered Accountant  
CRYSTAL BUSINESS SERVICES LTD  
Chartered Accountants  
264 STONEY STANTON ROAD  
COVENTRY. CV1 4FP

27th January 2022



**Leicester Markaz Trust**  
**Statement Of Financial Activities**  
**for the year ended 31st March 2021**

	Notes	2021 £	2020 £
<b><u>INCOMING RESOURCES</u></b>	1		
Donations and Collections		61,567	99,063
Income from Property		10,392	10,392
		<u>71,959</u>	<u>109,455</u>
Investment Income - Profits earned		66	49
<b><i>Total incoming resources</i></b>		<u>72,025</u>	<u>109,504</u>
<b><u>RESOURCES EXPENDED</u></b>			
<b>Cost of Charitable Activities</b>			
Salaries	2	21,869	21,190
Furlough grants		-7,901	-
Bank charges		(75)	-
Telephone		546	509
Light and heat		5,643	10,052
Pension	2	1,165	1,112
Repairs and maintenance		12,830	9,591
Insurance		1,845	1,800
Depreciation		1,369	425
<b>Total resources expended</b>		<u>37,291</u>	<u>44,679</u>
<b>NET INCOMING RESOURCES</b>		<u>34,734</u>	<u>64,825</u>
Fund Balances at 31st March 2020		772,739	707,914
Fund Balances at 31st March 2021		<u>807,473</u>	<u>772,739</u>

- All of the activities are continuing
- All of the funds are unrestricted.

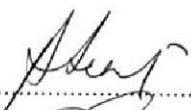
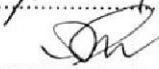
**Leicester Markaz Trust**  
**Balance Sheet**  
**as at 31 March 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	3	<u>674,107</u> 674,107	<u>671,476</u> 671,476
<b>Current assets</b>			
Debtors		-	515
Cash at bank and in hand		<u>168,815</u> 168,815	<u>167,047</u> 167,562
<b>Creditors: amounts falling due within one year</b>	4	(35,449)	(66,299)
<b>Net current assets</b>		<u>133,366</u>	<u>101,263</u>
<b>Total assets less current liabilities</b>		<u>807,473</u>	<u>772,739</u>
<b>Net assets</b>		<u>807,473</u>	<u>772,739</u>
<b>Funds</b>			
Unrestricted funds	7	<u>807,473</u>	<u>772,739</u>
		<u>807,473</u>	<u>772,739</u>

-The trustees are satisfied that the trust is entitled to exemption from the requirement to obtain an audit.

-The trustees acknowledge their responsibilities for complying with the requirements of the Charities Act 2011 with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 8 were approved and authorised for issue by the trustees on 27th January 2022.

AHMED LISAT ..... Name   
SOLEMAN OMARJI MAKADAM ..... Name 

## **Leicester Markaz Trust**

### **Notes to the Accounts For The Period Ended 31st March 2021**

#### **1. Summary of significant accounting policies**

##### **(a) General information and basis of preparation**

Leicester Markaz Trust is a charity registered in England. The nature of the charity's operations and principal activities are set out in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have not departed from the Charities (Accounts and Reports) Regulations 2008 in order to provide a 'true and fair view'.

The charity is defined as small and, therefore, no cash flow statement is required.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the freehold properties at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **(b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

##### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities, and other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

##### **(e) Tangible fixed assets**

Tangible fixed assets are stated at cost (or valuation) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.



## **Leicester Markaz Trust**

### **Notes to the Accounts For The Period Ended 31st March 2021**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold properties - No depreciation provided  
Office furniture and equipment - 25% reducing balance

#### **(f) Investments**

The charity's fixed asset investment property is stated at the trustees' valuation.

#### **(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### **(j) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **(k) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **(l) Pensions**

Contributions to defined contribution plans are expensed in the period to which they relate.

### **2 Incoming Resources**

These are stated after charging no depreciation. The trustees were neither remunerated nor paid any expenses. The analysis of payroll costs are as follows:-

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	21,869	21,190
Pensions (Nest)	1,165	1112
	<u>23,034</u>	<u>22,302</u>

During the period there was one full-time and one part-time employee.

**Leicester Markaz Trust**  
**Notes to the Accounts For The Period Ended 31st March 2021**

**3 Tangible fixed asset**

<b>Cost</b>	<b>Freehold Buildings £</b>	<b>Fixtures/ Eqpt. £</b>	<b>Total £</b>
At 1st April 2020	670,000	3,380	673,380
Additions		4,000	4,000
At 31 March 2021	<u>670,000</u>	<u>7,380</u>	<u>677,380</u>
<b>Accumulated depreciation</b>			
At 1st April 2020	-	1,904	1,904
Charge for the period	-	1,369	1,369
At 31 March 2021	<u>-</u>	<u>3,273</u>	<u>3,273</u>
<b>Net book value</b>			
At 31 March 2020	<u>670,000</u>	<u>1,476</u>	<u>671,476</u>
At 31st March 2021	<u>670,000</u>	<u>4,107</u>	<u>674,107</u>

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

	<b>2021 £</b>	<b>2020 £</b>
Social security and taxes	2,465	331
Return of monies	<u>32,984</u>	<u>65,968</u>
	<u>35,449</u>	<u>66,299</u>

**5 Contingent Liabilities**

As far as the directors are aware there were no pending legal actions, guarantees, material damages or any contingent liabilities at the balance sheet dates.

**6 Post Balance Sheet Events**

There have been no events after 31st March 2021 which will have an effect on the financial statements up to 31st March 2021.

**7 Analysis of net assets by fund**

	<b>Unrest- ricted Funds £</b>	<b>Total £</b>
Tangible assets	674,107	674,107
Cash at bank and in hand	168,815	168,815
<u>Less: Creditors</u>	<u>(35,449)</u>	<u>(35,449)</u>
	<u>£ 807,473</u>	<u>807,473</u>

**8 Related Party Transactions**

There are no related party transactions during the year.