

MASJID TALHA
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

MASJID TALHA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M H China Mr H E Dadibhai Mr A E Dadibhai Dr A Vania Dr E I Dadibhai
Charity number	1166030
Principal address	35 Oxford Road Dewsbury WF13 4JR
Accountants	AMS Accountants Medical Limited
Bankers	HSBC Market Place Dewsbury West Yorkshire WF13 1DH

MASJID TALHA

CONTENTS

	Page
Trustees report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 10

MASJID TALHA

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objectives of the charity are threefold. Facilitating worship, education, and welfare. This year, the charity has continued to work in these areas. The Mosque has continued to run through the year and its associated costs have been settled through fundraising from the public. There has also been an increase in both income and expenditure associated with the construction of a new building for this purpose through restricted funds. Educational talks and courses have also been held at the mosque. In welfare provision, the mosque has distributed charitable donations, to the needy in poverty and natural disaster-stricken parts of the world, primarily through other UK based trusted charities.

Financial review

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. The trustees has assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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 an unincorporated entity, governed by its trust deed dated 09th March 2016.

The trustees who served during the year and up to the date of signature of the financial statements were:

Dr Ebrahim Dadibhai
Dr Ahmed Vania
Mr Ahmed Dadibhai
Mr Hasan Dadibhai
Mr Hanif China

Recruitment and appointment of new trustees

Recruitment and information packs are available to enable active recruitment for new members for the Masjid Talha.

Potential new members are invited to attend the monthly meeting of the Council of Management and meetings are initially held with the committee to ensure a full briefing and understanding of the charity and the trustee role. Where specific training is required this is co-ordinated by the Council of Management to ensure that all members have the necessary attributes to be involved with the Masjid Talha.

MASJID TALHA

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Organisational structure

The structure of Masjid Talha consists of a Board of Trustees and a Council of Management.

The charity is controlled by the trustees who make up the Board of Trustees.

The trustees of the charity during the year are all as set out on the charity information page.

The Council of Management have regular monthly meetings.

The Trustees report was approved by the Board of Trustees.

.....
Dr E I Dadibhai

Dated:

MASJID TALHA

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MASJID TALHA

I report on the financial statements of the Charity for the year ended 31 March 2023, which are set out on pages 4 to 10.

Respective responsibilities of Trustees and examiner

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

It is my responsibility to:

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

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

AMS Accountants Medical Ltd

.....

AMS Accountants Medical Limited

Dated: 12 December 2023

Accountants

2nd Floor
9 Portland Street
Manchester
M1 3BE

MASJID TALHA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>			
Donations and legacies	2	218,434	201,980
Investments	3	949	19
Total income		<u>219,383</u>	<u>201,999</u>
<u>Expenditure on:</u>			
Charitable activities	4	<u>15,460</u>	<u>26,617</u>
Net movement in funds		203,923	175,382
Fund balances at 1 April 2022		<u>835,112</u>	<u>659,730</u>
Fund balances at 31 March 2023		<u><u>1,039,035</u></u>	<u><u>835,112</u></u>

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

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

MASJID TALHA

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	8		856,894		656,894
Current assets					
Cash at bank and in hand		268,041		264,918	
Creditors: amounts falling due within one year	9	(85,900)		(86,700)	
Net current assets			182,141		178,218
Total assets less current liabilities			1,039,035		835,112
Income funds					
Unrestricted funds			1,039,035		835,112
			1,039,035		835,112

The financial statements were approved by the Trustees on

.....
Dr E I Dadibhai
Trustee

MASJID TALHA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Masjid Talha is an unincorporated charity, governed by its constitution dated 09th March 2016.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.3 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.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MASJID TALHA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

Governance costs represent costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	No depreciation
--------------------	-----------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.5 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.6 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

MASJID TALHA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	218,434	201,443
Government grants	-	537
	<u>218,434</u>	<u>201,980</u>

3 Income from investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	<u>949</u>	<u>19</u>

MASJID TALHA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	2023 £	2022 £
Wages and salaries	3,272	11,037
Bank charges	62	15
Power, light and heat	9,458	7,216
Repairs and maintenance	48	-
Accountancy fees	600	600
Printing, postage and stationery	120	-
Computer running costs	220	220
Insurance	390	367
Water rates	1,290	1,162
Donations	-	6,000
	<u>15,460</u>	<u>26,617</u>

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

6 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	-	1
	<u> </u>	<u> </u>

Employment costs

	2023 £	2022 £
Wages and salaries	<u>3,272</u>	<u>11,037</u>

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

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

7 Taxation

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

MASJID TALHA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2022	656,894
Additions	200,000
	<hr/>
At 31 March 2023	856,894
	<hr/>
Carrying amount	
At 31 March 2023	856,894
	<hr/>
At 31 March 2022	656,894
	<hr/>

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	84,100	84,300
Accruals and deferred income	1,800	2,400
	<hr/>	<hr/>
	85,900	86,700
	<hr/>	<hr/>

10 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 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	835,112	219,383	(15,460)	1,039,035
	<hr/>	<hr/>	<hr/>	<hr/>
Previous year:				
	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	659,730	201,999	(26,617)	835,112
	<hr/>	<hr/>	<hr/>	<hr/>

11 Related party transactions

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