

# **MARKAZ BUKHARI**

## **ANNUAL REPORT & FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> JANUARY 2024**

**Charity Registration No. 1181877**

**CONTENTS**

	<b>Page</b>
Trustees' Annual Report	2
Independent Examiner's report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8

## **MARKAZ BUKHARI**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> JANUARY 2024**

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The Trustees present their report and financial statements for year-end 31<sup>st</sup> January 2024 for the Charitable Incorporated Organisation.

The financial statements have been prepared in accordance with the Charitable Incorporated Organisation's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) effective 1<sup>st</sup> January 2019.

#### **OBJECTIVES AND ACTIVITIES**

To advance the Islamic religion for the benefit of the public through holding prayers, lectures, regular classes and producing and distributing literature on Islam to enlighten others about Islam.

Main activities:

- Two weekly religious educational classes.
- Free online radio station where we broadcast Islamic lectures and lessons.
- Periodic community Islamic lectures.
- Educational Islamic annual conference for the local and wider community.
- Free literature distributed via our social network platforms for free.
- Website where we upload all of our lectures and publications for free.

#### **Public Benefit**

In considering the objectives and activities, the Trustees have considered the Charity Commission's guidance on Public Benefit to ensure that the organisation is meeting its Public Benefit requirements.

#### **ACHIEVEMENTS AND PERFORMANCE**

During this period, the following outcomes were achieved:

The charity continued to rent venues to conduct Islamic educational programmes, community events and occasional warm meals for the community. The charity made the bold move to purchase a building to use as a hub for all of its charitable activities in the future.

#### **FINANCIAL REVIEW**

Total income for the period was £65,970 (2023: £72,932) of which £11,070 (2023: £53,977) related to funding for projects upon which restrictions are placed.

Total expenditure for the period was £14,777 (2023: £5,218) of which £4,268 (2023: £82) related to restricted funds, leaving a surplus for the period of £51,193 (2023: surplus £67,714).

At 31<sup>st</sup> January 2024 the Charitable Incorporated Organisation's reserves stood at £218,223 (2023: £167,030), of which £157,222 (2023: £150,420) represented restricted funds.

#### **Risk Management**

The main risks to which the Charitable Incorporated Organisation is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

# **MARKAZ BUKHARI**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> JANUARY 2024**

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### **Reserves Policy**

It is the policy of the Charitable Incorporated Organisation to maintain unrestricted funds, which are free reserves of one month's running costs should no further funding be received.

As at the end of the financial period the unrestricted funds totalled £61,001 less Dawah fund 42,437 leaving a balance of £15,564. The Charitable Incorporated Organisation requires £876 for one month's running costs.

The trustees plans for the balance of the unrestricted reserves is for the renovation of the new mosque.

### **Plans for the future**

The charity operations currently rely heavily on hiring venues to carry out its objectives and activities. Through acquiring the building, we will be able to move away from this over reliance on hired facilities to carry out charitable activities. The aim is to continue to hire venues in the short term, and to continue to fundraise for the renovation costs of the building, with an aim to move to the building once completed.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Markaz Bukhari is a registered Charitable Incorporated Organisation (CIO), number 1181877 formed on 5<sup>th</sup> February 2019, under the terms of their constitution dated 4<sup>th</sup> November 2018.

There must be at least three Trustees. If the number falls below this minimum, the remaining Trustee or Trustees may act only to call a meeting of the Trustees or appoint a new Trustee.

There is no maximum number of charity Trustees that may be appointed to the CIO. The first three Trustees are Yusuf Ho, Abdikarim Mohamud and Awil Ali Abokor.

Apart from the first Trustees, every Trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the Trustees.

In selecting individuals for appointment as Trustee, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The Trustees will make available to each new trustee, on or before his or her first appointment:

- (1) a copy of the current version of this constitution; and
- (2) a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Name** Markaz Bukhari

**Charity number** 1181877

**Address & Office** School House  
Church Road,  
Wavertree,  
Liverpool,  
L15 9ED

**Trustees** The members of the Board of Trustees are as follows:

A Abokor	
Y Ho	(Resigned 30 <sup>th</sup> July 2024)
A Mohamud	
A F Musa	(Appointed 31 <sup>st</sup> July 2024)

## MARKAZ BUKHARI

### TRUSTEES' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> JANUARY 2024

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**Independent Examiner** Ying Huang ACCA  
LCVS  
151 Dale Street,  
Liverpool,  
L2 2AH

**Bankers** Lloyds Bank PLC  
Blackheath London,  
PO Box 1000,  
BX1 1LT

**Signed on behalf of the Trustees**

  
.....

**A Mohamud, Trustee**

20/12/2024  
.....

**Date**

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MARKAZ BUKHARI

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I report on the accounts of the charitable company for the year ended 31<sup>st</sup> January 2024 which are set out on pages 6 to 14.

## Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) 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.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- 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
- to state whether particular matters have come to my attention.

## Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the 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.

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

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

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and 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 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.

## Independent examiner's statement

Name: **Ying Huang**



Relevant professional qualification or body: **ACCA**

Address: **c/o LCVS 151, Dale Street, Liverpool, L2 2AH**

Dated : .....04/02/2025.....

**MARKAZ BUKHARI****STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR END 31<sup>ST</sup> JANUARY 2024**

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023
Income and Endowments from Donations	2a	54,900	11,070	65,970	72,932
<b>Total income</b>		<b>54,900</b>	<b>11,070</b>	<b>65,970</b>	<b>72,932</b>
Expenditure on Charitable activities	3	10,509	4,268	14,777	5,218
<b>Total expenditure</b>		<b>10,509</b>	<b>4,268</b>	<b>14,777</b>	<b>5,218</b>
<b>Net income, net movement in funds</b>		<b>44,391</b>	<b>6,802</b>	<b>51,193</b>	<b>67,714</b>
<b>Total funds brought forward</b>	8, 9	16,610	150,420	167,030	99,316
<b>Total funds carried forward</b>	7 - 9	<b>61,001</b>	<b>157,222</b>	<b>218,223</b>	<b>167,030</b>

The notes on pages 8 to 14 form part of these accounts.

All the above amounts relate to continuing activities of the Charitable Incorporated Organisation.

**MARKAZ BUKHARI**  
**BALANCE SHEET AS AT 31<sup>ST</sup> JANUARY 2024**

	Notes	31 <sup>st</sup> January 2024 £	31 <sup>st</sup> January 2023
<b>Fixed assets</b>			
Tangible fixed assets	4	153,442	156,210
<b>Current assets</b>			
Debtors	5	2,946	221
Cash at bank and in hand		63,355	106,631
		-----	-----
		66,301	106,852
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	6	(1,520)	(96,032)
		-----	-----
<b>Net current assets</b>		64,781	10,820
		-----	-----
<b>Total assets less current liabilities</b>		<b>218,223</b>	<b>167,030</b>
		=====	=====
<b>Funds:</b>			
Unrestricted funds	7, 8	61,001	16,610
Restricted funds	7, 9	157,222	150,420
		-----	-----
		<b>218,223</b>	<b>167,030</b>
		=====	=====

Approved by Trustees on 20/12/2024

  
 .....  
 A Mohamud, Trustee

  
 .....  
 A Abokor, Trustee



**1. Accounting Policies****Basis of Accounting**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective 1<sup>st</sup> January 2019 and Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Incorporated Organisation. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The Charitable Incorporated Organisation 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.

**Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate reserves to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**Fund accounting**

Unrestricted funds are the Charitable Incorporated Organisation, free reserves available for the Trustees to apply in accordance with the Charitable Incorporated Organisation's objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure.

**Income recognition**

All income is recognised once the Charitable Incorporated Organisation has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from other trading activities relates to fundraising events and is recognised when the amount is certain.

**Fixed Assets**

Capital expenditure is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Freehold Property	2% per annum straight line basis on building and Improvements elements and Nil on freehold land
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**Expenditure recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charitable Incorporated Organisation to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relates to the operation of the Charitable Incorporated Organisation comprising of direct charitable expenditure to meet the objectives of the Charitable Incorporated Organisation. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the Charitable Incorporated Organisation.

**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.

**Financial instruments**

The Charitable Incorporated Organisation 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 Charitable Incorporated Organisation's balance sheet when the Charitable Incorporated Organisation 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 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.

**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 receipts 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.

## MARKAZ BUKHARI

### NOTES TO THE FINANCIAL STATEMENTS FOR YEAR END 31<sup>ST</sup> JANUARY 2024

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#### Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Incorporated Organisation's contractual obligations expire or are discharged or cancelled.

#### Critical accounting estimates and judgements

In the application of the Charitable Incorporated Organisation'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 on-going 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.

All expenditure is accounted for on an accrual's basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Cost of charitable activities relates to the operation of the Charitable Incorporated Organisation comprising of direct charitable expenditure to meet the objectives of the Charitable Incorporated Organisation. Support and governance costs relate to the management and operation of the organisation and compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the Charitable Incorporated Organisation.

#### Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The Charitable Incorporated Organisation benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The Charitable Incorporated Organisation is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

#### 2. Income and endowments from:

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
a. Donations and legacies				
Donations	54,900	-	54,900	18,955
Masjid restricted donation	-	11,070	11,070	53,977
	=====	=====	=====	=====
	54,900	11,070	65,970	72,932
	=====	=====	=====	=====

Donations and legacies income for 2023 related wholly to unrestricted fund.

**MARKAZ BUKHARI****NOTES TO THE FINANCIAL STATEMENTS FOR YEAR END 31<sup>ST</sup> JANUARY 2024****3. Expenditure on charitable activities**

	Direct charitable Expenditure £	Support & Governance Costs £	Total 2024 £	Total 2023 £
To advance the Islamic religion for the benefit of the public through holding prayers, lectures, regular classes and producing and distributing literature on Islam to enlighten others about Islam.	9,375	5,402	14,777	5,218
	=====	=====	=====	=====

**a. analysed as follows:**

	2024 £	2023 £
<i>Direct Charitable Expenditure:</i>		
Equipment and clothing	332	515
Activities and events	277	-
Venue hire	4,180	1,142
Volunteer expenses	4,020	2,450
Advertisement	52	47
Online radio costs	169	172
Website costs	345	-
	-----	-----
	<b>9,375</b>	<b>4,326</b>
	-----	-----
<i>Support and governance costs:</i>		
Accountancy	770	750
Bank charges	5	-
Stationery	89	-
Subscriptions	164	-
Repairs	1,500	-
Sundries	-	60
Computer support	106	-
Depreciation	2,768	82
	-----	-----
	<b>5,402</b>	<b>892</b>
	-----	-----
<b>Total expenditure on charitable activities</b>	<b>14,777</b>	<b>5,218</b>
	=====	=====

£4,268 (2023: £82) of the above expenditure is restricted expenditure.

**b. Staff Costs**

There were no employees during the period up to 31<sup>st</sup> January 2024. (2023: Nil)

The Trustees are not remunerated for their services and are not included in the above number of employees.

No out-of-pocket expenses were reimbursed to Trustees during the period.

**MARKAZ BUKHARI****NOTES TO THE FINANCIAL STATEMENTS FOR YEAR END 31<sup>ST</sup> JANUARY 2024**

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**4. Tangible fixed assets**

	<b>Freehold Property £</b>	<b>Total £</b>
<b>Cost:</b>		
Balance at 1 <sup>st</sup> February 2023	156,292	156,292
Additions	-	-
	-----	-----
Balance at 31 <sup>st</sup> January 2024	<b>156,292</b>	<b>156,292</b>
	=====	=====
<b>Depreciation:</b>		
Balance at 1 <sup>st</sup> February 2023	82	82
Charge for the year	2,768	2,768
	-----	-----
Balance at 31 <sup>st</sup> January 2024	<b>2,850</b>	<b>2,850</b>
	=====	=====
<b>Net Book Value:</b>		
Net Book Value 31 <sup>st</sup> January 2024	<b>153,442</b>	<b>153,442</b>
	=====	=====
Net Book Value 31 <sup>st</sup> January 2023	156,210	156,210
	=====	=====

**5. Debtors**

	<b>2024 £</b>	<b>2023 £</b>
Debtors	<b>2,946</b>	<b>221</b>
	=====	=====

**6. Creditors: amounts falling due within one year**

	<b>2024 £</b>	<b>2023 £</b>
Accruals	1,520	750
Creditors	-	95,282
	-----	-----
<b>Totals</b>	<b>1,520</b>	<b>96,032</b>
	=====	=====

**MARKAZ BUKHARI****NOTES TO THE FINANCIAL STATEMENTS FOR YEAR END 31<sup>ST</sup> JANUARY 2024****7. Analysis of net assets between funds**

2024	Tangible Fixed Assets £	Net Current Assets £	Total £
Unrestricted Funds			
General Fund	-	18,564	18,564
Dawah Fund	-	42,437	42,437
	-----	-----	-----
		61,001	61,001
Restricted Funds			
Masjid restricted donation	153,442	3,780	157,222
	-----	-----	-----
Totals	153,442	64,781	218,223
	-----	-----	-----

<b>2023</b>	<b>Tangible Fixed Assets £</b>	<b>Net Current Assets £</b>	<b>Total £</b>
<b>Unrestricted Funds</b>			
General Fund	-	16,610	16,610
<b>Restricted Funds</b>			
Masjid restricted donation	156,210	(5,790)	150,420
	-----	-----	-----
<b>Totals</b>	<b>156,210</b>	<b>10,820</b>	<b>167,030</b>
	=====	=====	=====

**8. Unrestricted Funds**

<b>2024</b>	<b>Reserves at beginning of year £</b>	<b>Movements in the Year</b>		<b>Reserves at end of year £</b>
		<b>Income £</b>	<b>Expenditure £</b>	
General Fund	16,610	2,822	(868)	18,564
Dawah Fund	-	52,078	(9,641)	42,437
	-----	-----	-----	-----
	<b>16,610</b>	<b>54,900</b>	<b>(10,509)</b>	<b>61,001</b>
	=====	=====	=====	=====

<b>2023</b>	<b>Reserves at beginning of year £</b>	<b>Movements in the Year</b>		<b>Reserves at end of year £</b>
		<b>Income £</b>	<b>Expenditure £</b>	
General Fund	2,791	18,955	(5,136)	16,610
	=====	=====	=====	=====

**General Fund** is used to finance the Charitable Incorporated Organisation general activities and core costs as outlined in the Trustees' Report.

**MARKAZ BUKHARI****NOTES TO THE FINANCIAL STATEMENTS FOR YEAR END 31<sup>ST</sup> JANUARY 2024**

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**Dawah Fund** - Contribution towards the building of a mosque

**9. Restricted Funds**

<b>2024</b>	<b>Reserves at beginning of year £</b>	<b>Movements in the Year</b>		<b>Reserves at end of year £</b>
		<b>Income £</b>	<b>Expenditure £</b>	
Masjid restricted donation	<b>150,420</b>	<b>11,070</b>	<b>(4,268)</b>	<b>157,222</b>
	=====	=====	=====	=====

  

<b>2023</b>	<b>Reserves at beginning of year £</b>	<b>Movements in the Year</b>		<b>Reserves at end of year £</b>
		<b>Income £</b>	<b>Expenditure £</b>	
Masjid restricted donation	<b>96,525</b>	<b>53,977</b>	<b>(82)</b>	<b>150,420</b>
	=====	=====	=====	=====

These are monies given to the Charitable Incorporated Organisation to be spent at the discretion of the Board of Trustees for specific charitable purposes, as follows:

**Masjid restricted donation** – Contribution towards the building of a mosque.

**10. Guarantees and Other Financial Commitments**

There are no financial commitments under non-cancellable operating leases.

**11. Related Parties**

There were no material related party transactions during this year which require disclosure.

**12. Limited liability of members**

In the event of winding up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.