

**REGISTERED CHARITY NUMBER: 261188**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
AL-MEDINA TRUST**

Prestons & Jacksons Partnership LLP  
364 - 368 Cranbrook Road  
Ilford  
Essex  
IG2 6HY

# **AL-MEDINA TRUST**

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## **AL-MEDINA TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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**

##### **Objectives and Public Benefits**

- a) To advance and to propagate Islam throughout the world.
- b) To relieve poverty among Muslims in any part of the world.
- c) To advance education generally and the education of Muslims in particular.
- d) To support other charitable institutions having objects similar to those above mentioned.
- e) Such other purposes (being exclusively charitable) as may be declared by the trustees.

##### **Covid 19 Impact and Going Concern**

Covid-19 had little impact on the Trust. This was mainly because we have no employees and no other operational expenses. Similarly, our income is mainly through real estate investment and so far our tenants have been able to keep up with their rent. Trustees have been able to operate virtually. We do, however, expect a greater demand from our beneficiaries due to the adverse effects of C-19 on them. But, we are confident the trust would remain a going concern and fulfilling its charitable objects.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The charity continued advance Islamic education, support to further the education of poor students, alleviate poverty and support charitable institutions with similar objects.

The following organisations were the beneficiaries:

- The Markfield Institute of Higher Education
- Human Aid Sirajgang
- Kube Publishing
- Global Human Relief Foundation

Besides the above, the charity provided funding to individual students in financial hardship.

#### **FINANCIAL REVIEW**

##### **Financial position**

Total income for the year amounted to £152,916 (2019: £141,419), while total expenditure for the year amounted to £88,651 (2019- £70,544).

Overall net surplus was £64,265 (2019- £70,875). A increase from previous year was due to a higher rental income.

Total funds carried forward was £2,083,811 (2019: £2,019,546) of which all were unrestricted.

##### **Investment policy and objectives**

In accordance with the objective charity managed its investment properties through the Covid period without any adverse effects of the pandemic.

## **AL-MEDINA TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The trustees consider that the reserves held are sufficient to continue the charities activity in future years. The trustees actively review the major risks which the charity faces on a regular basis and have also examined other operational and business risks faced by the charity. The trustees confirm that they have established systems to mitigate the significant risks.

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

##### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

##### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees at the moment meet together as a body when and as required and are responsible for all decisions taken in relation to running the activities provided by the charity. The charity is currently in process of appointing more trustees in view to expand and be more proactive.

##### **Induction and training of new trustees**

Following appointment, new trustees will be introduced to their new role and are requested to familiarise themselves with contents of the trusts constitution and to the policies and procedures adopted by the charity. They are also requested to read a number of publications from the Charity Commission to ensure that they are aware of the scope of their responsibilities under the Charities Act. The new trustees will work collectively with existing trustees assisting on particular activities and projects run by the charity, to attain maximum benefits for the charity.

##### **Public benefit**

The trustees have recognised the guidance in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charity and when planning activities. The difference the charity makes for the public benefit is the furtherance of education to poor students and elevating poverty.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

261188

##### **Principal address**

Markfield Conference Centre  
Ratby Lane, Markfield  
Leicestershire  
LE67 9SY

## AL-MEDINA TRUST

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020


#### Trustees

Dr Manazir Ahsan (Chairman)  
Professor Khurshid Ahmad  
Mr Muhammad Saeed Chowdhury  
Mr Ismail Gitay  
Mr Farooq Murad  
Dr Zahid Parvez

#### Independent Examiner

Anwer Patel  
BA(Hons), FCA, BFP  
Prestons & Jacksons Partnership LLP  
364 - 368 Cranbrook Road  
Ilford  
Essex  
IG2 6HY

Approved by order of the board of trustees on ..... 5-10-2021 ..... and signed on its behalf by:



Trustee

ISMAIL GITAY



## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AL-MEDINA TRUST

### Independent examiner's report to the trustees of Al-Medina Trust

I report to the charity trustees on my examination of the accounts of Al-Medina Trust (the Trust) for the year ended 31 December 2020.

### Responsibilities and basis of report

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

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

### Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

A. PATEL

Anwer Patel  
BA(Hons), FCA, BFP  
Prestons & Jacksons Partnership LLP  
364 - 368 Cranbrook Road  
Ilford  
Essex  
IG2 6HY

Date: 5-10-21 .....

# AL-MEDINA TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

		31.12.20 Unrestricted fund £	31.12.19 Total funds £
<b>INCOME FROM</b>	Notes		
Donations		1,000	-
Investment income	2	151,916	141,419
<b>Total</b>		<b>152,916</b>	<b>141,419</b>
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>	3		
Charitable Activities		88,651	70,544
 <b>NET INCOME</b>		<b>64,265</b>	<b>70,875</b>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>2,019,546</b>	<b>1,948,671</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,083,811</b>	<b>2,019,546</b>

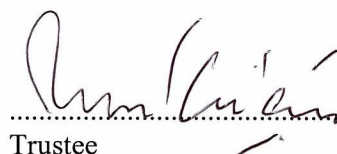
The notes form part of these financial statements

# AL-MEDINA TRUST

## STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2020

		31.12.20 Unrestricted fund £	31.12.19 Total funds £
	Notes		
<b>FIXED ASSETS</b>			
Investment property	8	1,927,270	1,927,270
<b>CURRENT ASSETS</b>			
Debtors	9	1,830	1,058
Cash at bank		246,852	123,057
		<u>248,682</u>	<u>124,115</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(92,141)	(31,839)
<b>NET CURRENT ASSETS</b>		<u>156,541</u>	<u>92,276</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,083,811</u>	<u>2,019,546</u>
<b>NET ASSETS</b>		<u>2,083,811</u>	<u>2,019,546</u>
<b>FUNDS</b>	11		
Unrestricted funds		2,083,811	2,019,546
<b>TOTAL FUNDS</b>		<u>2,083,811</u>	<u>2,019,546</u>

The financial statements were approved by the Board of Trustees and authorised for issue on ~~5 OCTOBER 2021~~ and were signed on its behalf by:

  
Trustee

ISMAIL GITAY



## **AL-MEDINA TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements and assessment of going concern**

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 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **Going concern and covid 19 impact**

The trustees confirm they secured sufficient investment income for the next twelve months to keep the Trust running. Rental income has been received and no provision for doubtful debts are deemed necessary for the next twelve months period. In addition, most of the outstanding creditors balance as at 31st December 2020 have been cleared and funds are held in terms of fixed assets with no attached loans.

As a reason of this, the trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **Income**

All rental income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be on a receivable basis and the amount can be measured reliably.

##### **Expenditure and irrecoverable vat**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is transferred to the SOFA.

##### **Taxation**

The charity is exempt from tax on its charitable activities.

## AL-MEDINA TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. ACCOUNTING POLICIES - continued

##### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

#### 2. INVESTMENT INCOME

	31.12.20	31.12.19
	£	£
Rents Receivable	150,974	139,246
Bank Investment Income	942	2,173
	<u>151,916</u>	<u>141,419</u>

# AL-MEDINA TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

### 3. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 4) £	Support costs £	Totals £
Charitable Activities				
	<u>9,091</u>	<u>77,914</u>	<u>1,646</u>	<u>88,651</u>

### 4. GRANTS PAYABLE

	31.12.20 £	31.12.19 £
Charitable Activities		
	<u>77,914</u>	<u>62,959</u>

The total grants paid to institutions during the year was as follows:

	31.12.20 £	31.12.19 £
Markfield Institute of Higher Education	35,000	30,000
Kube Publication Limited, UK	5,000	6,459
Mesco Bombay	(5,000)	-
Bilal Qaddoura - Medical Care	-	2,500
Human Aid Siraj Ganj Bangladesh	10,000	7,000
IF New Muslim Project	10,000	7,000
Invitation to Islam	-	10,000
Hilful Fuzul Trust	5,000	-
MA BOSNIA	14,800	-
LSE - Student Grant - Nazmus Saqib	2,114	-
Ashraf Fahim - Student Grant	1,000	-
	<u>77,914</u>	<u>62,959</u>

In the financial year ended 31st Dec 2018, the Trust pledged to pay £5,000 to Mesco Bombay which did not crystallise. As a result, the Trust decided to write off the pledge in the current year ended 31st Dec 2020.

## AL-MEDINA TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

#### 6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 2019

	Unrestricted fund £
<b>INCOME FROM</b>	
Investment income	141,419
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Charitable Activities	70,544
<b>NET INCOME</b>	<hr/> 70,875
<b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	1,948,671
<b>TOTAL FUNDS CARRIED FORWARD</b>	<hr/> <hr/> 2,019,546



# AL-MEDINA TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

### 7. KEY MANAGEMENT PERSONNEL

The Trustees are the Key Management Personnel in the year.

### 8. INVESTMENT PROPERTY

#### FAIR VALUE

At 1 January 2020  
and 31 December 2020

£

1,927,270

#### NET BOOK VALUE

At 31 December 2020

1,927,270

At 31 December 2019

1,927,270

### 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Prepayments and accrued income	<u>1,830</u>	<u>1,058</u>

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Taxation and social security	14,399	2,219
Other creditors	<u>77,742</u>	<u>29,620</u>
	<u>92,141</u>	<u>31,839</u>

### 11. MOVEMENT IN FUNDS

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,019,546	64,265	2,083,811
<b>TOTAL FUNDS</b>	<u>2,019,546</u>	<u>64,265</u>	<u>2,083,811</u>

# AL-MEDINA TRUST

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

### 11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	152,916	(88,651)	64,265
<b>TOTAL FUNDS</b>	<u>152,916</u>	<u>(88,651)</u>	<u>64,265</u>

### Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
<b>Unrestricted funds</b>			
General fund	1,948,671	70,875	2,019,546
<b>TOTAL FUNDS</b>	<u>1,948,671</u>	<u>70,875</u>	<u>2,019,546</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	141,419	(70,544)	70,875
<b>TOTAL FUNDS</b>	<u>141,419</u>	<u>(70,544)</u>	<u>70,875</u>



## AL-MEDINA TRUST

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 12. RELATED PARTY DISCLOSURES

Professor Khurshid Ahmad and Dr Manazir Ahsan, trustees of Al- Medina Trust, are also trustees of The Markfield Institute of Higher Education which received £30,000 from Al- Medina Trust in the year. (2019- £30,000).

Neither Professor Khurshid Ahmad, Dr Manazir Ahsan nor Mr Ismail Gitay sat on any committee which approved the above funding to the institutes.

During the year, the trustees donated £1,000 to Al - Medina Trust.

#### 13. INDEPENDENT EXAMINERS FEE

	31.12.20 £	31.12.19 £
Independent Examiners Fee	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

# AL-MEDINA TRUST

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	31.12.20 £	31.12.19 £
<b>INCOME</b>		
<b>Donations</b>		
Donations	1,000	-
<b>Investment income</b>		
Rents Receivable	150,974	139,246
Bank Investment Income	942	2,173
	<u>151,916</u>	<u>141,419</u>
<b>Total incoming resources</b>	<b>152,916</b>	<b>141,419</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Premises Costs	-	1,431
Agent Commission	9,091	4,515
Grants to institutions	77,914	62,959
	<u>87,005</u>	<u>68,905</u>
<b>Support costs</b>		
<b>Finance</b>		
Insurance	541	-
Sundries	161	-
Bank charges	24	27
	<u>726</u>	<u>27</u>
<b>Governance costs</b>		
Independent Examiner Fees	800	1,000
Accountancy and legal fees	120	612
	<u>920</u>	<u>1,612</u>
<b>Total resources expended</b>	<b>88,651</b>	<b>70,544</b>
<b>Net income</b>	<b>64,265</b>	<b>70,875</b>

This page does not form part of the statutory financial statements