

NUNEATON MUSLIM SOCIETY

(CHARITY REGISTRATION: 514390)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NUNEATON MUSLIM SOCIETY

(Charity Registration Number: 514390)

TRUSTEES

The following Trustees and Holding Trustees were reappointed, appointed or resigned on 10.10.2021

Yaseen Ahmedabadi	(President)
Mohammed Shafi Khalifa	(Vice President)
Mustafa Khalifa	(Secretary)
Ismail Malik	(Assistant Secretary)
Zahir Aadam	(Treasurer)
Javid Jogiat	(Assistant Treasurer)

Imtiaz Ahmedabadi	
Yunus Patel	
Saeed Sheikh	
Aurangzieb NoorMohammed	Resigned
Ahmed Ashraf Mulla	Resigned

HOLDING TRUSTEES

Ibrahim Bham	
Ahmed Ismail	
Abbas Khalifa	
Yusuf I Patel	
Mohammadi Izmat Mulla	Resigned

PRINCIPAL OFFICE

The Mosque
4 Frank Street, Nuneaton CV11 5RB

ACCOUNTANTS

Sidat & Co Accountants
26 Abbeydore Grove, Monkston
Milton Keynes MK10 9HH

SOLICITORS

Band Hatton Button Solicitors
52-55 Butts Road, Coventry CV1 3BH

BANKERS

Virgin Money (formerly, Yorkshire Bank)
Warwick House, Coton Road, Nuneaton CV11 5TL

HSBC
3a Queens Road, Nuneaton CV11 5JL

Lloyds
17-23 Coventry Street, Nuneaton CV11 5TD

NUNEATON MUSLIM SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Alhamdulillah it gives me great pleasure in presenting the 2021 Report and Accounts.

I begin with thanking the Almighty for his guidance and strength during a second-year full of Covid19 challenges.

Our collaborative work with the community and partners has continued to grow from strength to strength. This work would not be possible without the selfless commitment of Committee Members, Trustees and our Volunteers.

Our most precious assets, our children, unfortunately, were the most affected by the pandemic. They have lost hours and hours from their secular and Islamic education. As parents, providers and as a community we need to ensure the correct level of support is provided to our children as they recover. We must ensure their wellbeing, confidence and security remain strong.

As we recover from the losses of the previous year, sadly, this year also witnessed the loss of many more great people. We lost another two servants of our community and the Masjid. In February we lost Haji Jamal Khalifa who until a few weeks before passing away was still knocking on doors collecting donations for the Masjid. In October we lost Haji Cassim Bhagatte who was one of the muezzins of the Masjid. His smile and melodious tone will be missed by everyone. May Allah (SWT) be pleased with all those who we have lost during the past year and grant them all the highest abode in Jannatul Firdous, Ameen.

Structure, Governance, Management

The Society is a registered charity under registration number 514390 and its governing document is the constitution. The primary objective of the society is that of advancement of Islam, and to cater for the provision of the religious aspects of Islam. The Executive Committee (referred to as "Trustees") comprise of ten Members and four Holding Trustees who are elected every two years and four years respectively.

The Trustees have the sole responsibility for running the society per the constitution whereas the Holding Trustees have no such authority. The function of the holding Trustees is to oversee the legal title of the Society's property including land and properties and to intervene in the event of an impasse between the Executive Committee and its Members.

Appropriate Disclosure Barring Service (DBS) checks are made for all those who work with children or other vulnerable groups within the Masjid or the Community Centre on behalf of the Society. All committee Members and Madrasah staff have completed a safeguarding course and continue to develop themselves further, ensuring our children receive the best education in a safe and secure environment.

Objectives and activities

Our aims

The objects of the charity are set out in the Constitution as follows:

- i. The Society is established for the advancement of Islam, particularly by the provision of a place of worship and facilities for other functions of a religious character.
- ii. The Society provides Islamic education courses for anyone interested in it.
- iii. The Society holds seminars and meetings with other organisations to exchange ideas and views of concern to the Muslims of Nuneaton and surrounding areas.

Our objectives

Our objectives are set to reflect our faith and community aims. Our Trustees review our objectives and

activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit. Our long-term ambition is to build the self-confidence of local Muslims in their faith, and through our community facilities and activities help make our area a peaceful, vibrant and harmonious community.

Use of volunteers

Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community activities and are regularly giving their time. All our Trustees also give their time freely. We encourage all Members of our mosque to be involved in voluntary activities and to share their skills with others.

Activities and Achievements

How our activities deliver public benefit

A summary of the activities and achievements that have taken place over this year is provided below.

The ongoing coronavirus and the emergence of the new variant of Omicron in November 2021 continued to be a challenge. However, with strict adherence to Government guidelines, the Society was able to keep the Mosque open for the five daily prayers. Also, madrasah classes remained operational throughout the year either in person, or through online delivery to its full capacity. With around 410 Members, 220 madresa students, and 22 Hifz students, this is a remarkable achievement for the Society.

Ramadan continued within the parameters of legal guidance. Working extensively with the Warwickshire Public Health Department, the Trustees were able to organise Taraweeh salah at four different venues thus ensuring that everyone was able to participate in the prayers.

The plans to refurbish the Community Centre gained momentum. Alhamdulillah, with the input from the task group, a final design was agreed for the outline planning application. This design has been submitted for planning approval.

An improvement program has been earmarked for the Masjid to replace the windows and doors, to enlarge the entrance area, and to enhance security.

A feasibility study of moving the burial facility into an external dedicated space is being explored. The outcome of the structural survey report will determine the next stage.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to six months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of the reserve has been maintained throughout the year.

Principal funding sources

The charity's main source of income is giving.

The Society saw a restoration of its incoming resources from generated funds back to its pre-pandemic levels to £151,420 (2020: £90,977). The expenditure also increased primarily due to repairs and maintenance cost and loss of furlough grants towards salary and wages cost.

Based on the financial records, the net income resources for the year was a net inflow of £19,923 (2020-£(17,288)) before other incoming resources and exceptional items.

Gift aid recovery in the year amounted to £3,577 (2020: £Nil).

Finally, as always, I thank every one of you for your Duaas and support. The past two years have been challenging and required many difficult decisions. It is through the sheer mercy of Allah (SWT) and your assistance that we have been able to continue serving our community.

May Allah (SWT) reward you all abundantly, Ameen.

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For and on behalf of Nuneaton Muslim Society
Yaseen Ahmedabadi (President)

Approved by the Trustees on 25 February 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

OF NUNEATON MUSLIM SOCIETY

I report on the accounts of Nuneaton Muslim Society for the year ended 31 December 2021, which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. 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:

- 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
- to state whether particular matters have come to my attention

Basis of examiner's statement

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 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 next statement.

Independent examiner's statement

In connection with my examination, no other matter except that referred to in the previous paragraph 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 130 of the 2011 Act and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act 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

I Sidat

Sidat & Co Accountants

**26 Abbeydore Grove, Monkston
Milton Keynes MK10 9HH**

25 February 2022

NUNEATON MUSLIM SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from				
<i>Incoming resources from generated funds</i>				
<i>Incoming resources from charitable activities:</i>				
Membership fees	17,226	-	17,226	14,727
Madrasah fees	68,958	-	68,958	24,849
<i>Voluntary income:</i>				
Friday lillah donation	17,875	-	17,875	7,732
House box collection	255	-	255	202
Lillah donations	9,229	-	9,229	6,672
Eid day collections	1,374	-	1,374	953
Tabligh Jamaat donations	339	-	339	114
Other lillah donations	7,024	-	7,024	5,406
<i>Investment income:</i>				
Bank deposit interest received	50	-	50	147
<i>Activities for generating funds:</i>				
Rental income	22,090	-	22,090	23,222
Appeal funds and specific donations	-	7,000	7,000	6,953
Total incoming resources	144,420	7,000	151,420	90,977
	=====	=====	=====	=====
Expenditure on				
<i>Cost of generating funds</i>				
Gas	8,809	-	8,809	6,854
Electricity	3,133	-	3,133	3,555
Council tax	(126)	-	(126)	1,525
Repairs and maintenance	9,662	-	9,662	4,281
Insurance	4,136	-	4,136	3,258
Water charges	3,587	-	3,587	4,309
Cleaning and laundry	217	-	217	217
Depreciation	1,042	-	1,042	1,302
	30,460	-	30,460	25,301
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<i>Support costs:</i>				
Imam's salary, employers NIC and pension	29,629	-	29,629	29,911
Madrasah expenses	58,882	-	58,882	58,747
Furlough claims	(644)	-	(644)	(16,123)
Telephone	156	-	156	610
Printing, postage and stationery	836	-	836	440
Imtehan prizes	1,260	-	1,260	(100)
Miscellaneous expenses	6,120	-	6,120	3,001
Appeal funds and specific donations redonated	-	4,798	4,798	6,353
Bank deposit interest redonated	-	-	-	125
	96,239	4,798	101,037	82,964
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Total resources expended	126,699	4,798	131,497	108,265
	=====	=====	=====	=====
Net income/(deficiency) resources	17,721	2,202	19,923	(17,288)
Other incoming resources				
Gift aid tax recovery	3,577	-	3,577	-
Exceptional Item				
Professional fees – Community Centre Project	-	-	-	-
	=====	=====	=====	=====
Net movement in funds	£ 21,298	£ 2,202	£ 23,500	£ (17,288)
	=====	=====	=====	=====

NUNEATON MUSLIM SOCIETY
BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	6		1,296,390		1,297,432
Current assets					
Prepayments		6,225		5,401	
Cash at bank and in hand		205,228		180,070	
Total current assets			<u>211,453</u>	<u>185,471</u>	
Liabilities					
Creditors falling due within one year					
Accruals		(22,862)		(21,422)	
			<u>188,591</u>	<u>164,049</u>	
Net assets			<u><u>£ 1,484,981</u></u>	<u><u>£ 1,461,481</u></u>	
The funds of the charity					
Unrestricted funds	7		1,484,981		1,460,683
Restricted funds	7		-		798
Total charity funds			<u><u>£ 1,484,981</u></u>	<u><u>£ 1,461,481</u></u>	

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Yaseen Ahmedabadi (President)

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Mustafa Khalifa (Secretary)

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Zahir Aadam (Treasurer)

Approved by the Board of trustees on 25 February 2022

NUNEATON MUSLIM SOCIETY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Statement of Trustees' responsibilities

The charity trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 of the charity for that period. In preparing the 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees for the purposes of charity law who served during the year and up to the date of this report are set out on page 1.

2. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2015), and applicable UK Accounting Standards and the Charities Act 2011.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal.

(c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

NUNEATON MUSLIM SOCIETY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(d) Resources expended

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 related to the category.

(e) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and at historic cost. Fixed assets are stated at cost less accumulated depreciation. The freehold property is valued at historic cost and it is not depreciated, as the properties are considered to have a useful life as a building of greater than 50 years and so any depreciation charge is considered immaterial.

Depreciation is charged as follows:

Fixtures, fittings and equipment	-	20% written down value
Utensils & cutlery	-	20% written down value

3. Trustees remuneration

No trustee received remuneration.

4. Staff costs

Staff costs after furlough claim totalling £87,867 (2020: £72,535) related to payments made to 15 employees (2020: 15). No amounts were reimbursed specifically for travelling expenses.

5. Fees for independent examination of the accounts

No fees paid were paid for the independent examination of the accounts.

6. Fixed assets: tangible assets

	Freehold Land & Buildings £	Fixtures, Fittings & Equipment £	Utensils & Cutlery £	Total £
Cost				
As at 1 January 2021	1,292,219	63,931	2,559	1,358,709
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2021	1,292,219	63,931	2,559	1,358,709
	=====	=====	=====	=====
Depreciation				
As at 1 January 2021	-	58,724	2,553	61,277
Charge for the year	-	1,041	1	1,042
Disposals	-	-	-	-
At 31 December 2021	-	59,765	2,554	62,319
	=====	=====	=====	=====
Net Book Value				
At 31 December 2021	£ 1,292,219	£ 4,166	£ 5	£ 1,296,390
	=====	=====	=====	=====
At 31 December 2020	£ 1,292,219	£ 5,207	£ 6	£ 1,297,432
	=====	=====	=====	=====

The Title Deeds for the freehold land and buildings are held in the name of "The Trustees of Nuneaton Muslim Society".

NUNEATON MUSLIM SOCIETY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Analysis of charitable funds

Analysis of Fund movements	Balance B/fwd £	Incoming resources £	Resources expended £	Transfers £	Fund C/fwd £
<i>Unrestricted funds:</i>					
Unrestricted general funds	1,460,683	147,997	(126,699)	3,000	1,484,981
	<u>£ 1,460,683</u>	<u>£ 147,997</u>	<u>£(126,699)</u>	<u>£ 3,000</u>	<u>£ 1,484,981</u>
	=====	=====	=====	=====	=====
 Restricted funds	 Balance B/fwd £	 Incoming resources £	 Resources expended £	 Transfers £	 Fund C/fwd £
<i>Restricted funds:</i>					
Muiz Fortune	-	7,000	(4,000)	(3,000)	-
Lesvos Syrian refugee appeal fund	180	-	(180)	-	-
Badminton grant	18	-	(18)	-	-
Mayors appeal fund	600	-	(600)	-	-
	<u>£ 798</u>	<u>£ 7,000</u>	<u>£(4,798)</u>	<u>£ (3,000)</u>	<u>£ -</u>
	=====	=====	=====	=====	=====
 Total	 £ 1,461,481	 £ 154,997	 £(131,497)	 £ -	 £ 1,484,981
	=====	=====	=====	=====	=====