

NUNEATON MUSLIM SOCIETY
(CHARITY REGISTRATION NUMBER: 514390)

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NUNEATON MUSLIM SOCIETY

CONTENTS

	Page
Administrative Details of the Charity	2
Report of the Trustees	3 to 6
Independent Examiners Report to the Trustee	7
Statement of Financial Activities – Masjid and Madrasah	8 to 9
Statement of Financial Activities – Bookshop and Kitab	10
Statement of Financial Activities - Burial	11
Balance Sheet	12
Notes to the Accounts	13 to 16

NUNEATON MUSLIM SOCIETY

ADMINISTRATIVE DETAILS OF THE CHARITY

TRUSTEES

The following Trustees and Holding Trustees were in place:

Mohammed Shafi Khalifa	Interim President - appointed 05.07.2022
Mustafa Khalifa	Secretary
Ismail Malik	Assistant Secretary
Zahir Aadam	Treasurer
Javid Jogiat	Assistant Treasurer
Imtiaz Ahmedabadi	
Yaseen Ahmedabadi	Resigned 05.07.2022
Yunus Patel	
Saeed Sheikh	

HOLDING TRUSTEES

Ibrahim Bham
Ahmed Ismail
Abbas Khalifa
Yusuf I Patel

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

Lloyds Bank
17-23 Coventry Street, Nuneaton CV11 5RB

Virgin Money, Warwick House
Coton Road, Nuneaton CV11 5TL

HSBC
3a Queens Road, Nuneaton CV11 5JL

NUNEATON MUSLIM SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

Alhamdulillah it gives me great pleasure in presenting the 2022 Report and Accounts for Nuneaton Muslim Society ("Society").

I begin by thanking the Almighty for his guidance and strength during a year of challenges – a year in which we saw our President Yaseen Ahmedabadi resign in July 2022 and leaving a big void, and having to step in as an interim president to ensure continuity. His energy and enthusiasm for the betterment of Society and getting things done will be missed. We also lost various members of the Society that continuously provided support including Haji Mohammadi Mulla who sadly passed away in March 2022. He held the position as a Holding Trustee for almost a decade and ensured that the Board of Trustees were held to account when the need arose. We also lost Yasin Yusuf Sheikh who was an active volunteer member of the Society, and touched everyone's heart and with lasting memory and legacy for our Society. 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.

On a positive note, we must also not forget by recognizing our sister, Abeda Vorajee for achieving a Member of the British Empire (MBE) for services to Community Integration and Interfaith Understanding in the 2022 Queen's New Year's Honours List. This is a remarkable and a big achievement and one that we should all be proud of. Abeda has worked hard alongside the Society by championing the cause of Muslim ladies in the community and is an embodiment and an inspiration to all our sisters. May she continue with the good work and encourage other sisters to play their part within the community.

The cost of living crisis is taking its toll both within the Society and the Muslim community (e.g. increase in utility bills, rising food cost), the impact of which is leading to mental health and depression. We can only hope and pray that this situation will start to ease off soon but must remain vigilant within the community to provide support where we can to these vulnerable people.

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.

The Board of Trustees have actively embraced modern digital technology including using cloud and moving away from manual records to digital records. The notable areas of change include the computerisation of accounting records. This has enabled improvements in management reporting, and also ready to meet the HMRC strategy of "Making Tax Digital". All employees' wages, salaries and suppliers are now paid through online banking thus ensuring full accountability. Debit and credit card machines are used for collecting membership, and donations for various appeals throughout the year. The introduction of these machines have resulted in a significant increase in Lillah donations for the Masjid to £22,537 (2021: £9,229), and Appeals funds to £31,071 (2021: £7,000).

We have also taken the opportunity to amalgamate three different sets of accounts into a single reporting of all three activities (i.e. Masjid and Madrasah, Bookshop and Kitab, and Burial account) whilst still retaining statement of financial activities for each area, and a consolidated balance sheet for all activities. This will give a better insight into management reporting.

As part of an investment program, the purchase of a property costing £193,517 inclusive of legal costs was completed in March 2022. Following repairs to the property to comply with the letting requirements, this property is now rented and is generating a rental income of £725 per calendar month.

NUNEATON MUSLIM SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

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 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

The charity carries out a wide range of activities in pursuance of its charitable aims. The Trustees consider that these activities, summarised below, provide benefit both to those who worship at the Mosque and to the wider community of Nuneaton.

NUNEATON MUSLIM SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

The Society has around 412 members and the Mosque is open to all (including non-members) for daily Namaaz prayers, Friday prayers, Taraweeh prayers during Ramadan, and Eid prayers. These prayers are well attended by not only the people of Nuneaton but also from the surrounding areas.

Madrasah classes for religious education and Hifz classes for memorisation of the Holy Quran are also in place with around 232 madrasah students, and 12 Hifz students attending the daily classes.

Throughout the year, various programmes and events were organised for the community to educate in Islamic teachings. These were publicised through public announcements, social media and delivered by highly respected scholars.

During the month of Ramadan, the Mosques remained open for Taraweeh prayers, and various educational and religious talks were organised. The Society was fortunate to have Maulana Vanker and Maulana Motala together with his wife gracing their visit from South Africa. They provided inspirational and topical talks throughout the month including programmes specifically for the sisters. It was encouraging to see the Mosque being the focal and vibrant point throughout the holy month.

Sadly, one Imam tendered its resignation in May 2022, and a recruitment for the new Imam is still ongoing.

Funeral facilities are provided in line with the teachings of Islam together with the provision of ghusl (i.e. cleaning the deceased's body before burial), and Janazah prayer facilities. A feasibility study of moving the burial facility into an external dedicated space is still ongoing.

The Society is an active member of the faith community forums and regularly shares ideas and understanding of various faiths. It also maintained regular dialogues with key partners including local authorities and police departments.

The plans to refurbish the Community Centre are still ongoing with further updated plans being submitted for an outline planning permission as a result of findings from the Topographical Survey.

As part of the improvement program, the fire alarm system in the Mosque was upgraded for £10,120 of which £7,624 was financed by donations received from the members. A replacement commercial dryer was also installed for £4,900. The issue of outstanding carpet payment was resolved with a full and final settlement of £4,500 against an accrued liability of £18,000 thus releasing around £13,500 of cost against repairs and renewals.

Further improvement works need to be carried out to the Mosque roof including the Dome. Appropriate consultation is being performed with specialist contractors to obtain an understanding of the extent of the work required and the cost.

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 three 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.

NUNEATON MUSLIM SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

Principal funding sources

The charity's main source of income is giving.

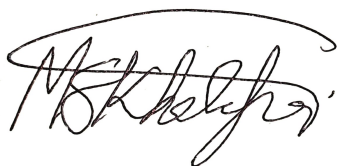
The incoming resources from generated funds of all three activities amounted to £208,761 (2021: £186,617) representing an overall increase of around 12%. The increase is mostly attributed to Lillah donations and income from five flats, and a house rental income.

Throughout the year, various appeal funds and specific donations amounted to £31,071 (2021: £7,000). These are set out in the accounting Note 7 (Restricted Funds), and included major disaster appeals for Afghanistan Earthquake and Pakistan Flood Relief.

Gift aid recovery in the year amounted to £7,503 (2021: £3,577).

Finally, as always, I thank every one of you for your Duaas and support. The events of the year 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.



For and on behalf of the Nuneaton Muslim Society
Mohammed Shafi Khalifa (Interim President)

Approved by the Trustees on 23 May 2023

NUNEATON MUSLIM SOCIETY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NUNEATON MUSLIM SOCIETY

I report on the accounts of the Nuneaton Muslim Society for the year ended 31 December 2022, which are set out on pages 8 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. In accordance with the requirements of the Charities Act 2011 ("the Act").

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.

Independent examiner's statement

I have completed my examination. In connection with my examination, I have no concerns and confirm that no material matters have come to my attention in connection with the examination:

- I. 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
- II. 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**

23 May 2023

NUNEATON MUSLIM SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES – MASJID AND MADRASAH FOR THE YEAR ENDED 31 DECEMBER 2022

	Unrestric- ted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from				
<i>Incoming resources from generated funds</i>				
<i>Incoming resources from charitable activities</i>				
Membership fees	14,448	-	14,448	17,226
Madrasah fees	63,527	-	63,527	68,958
<i>Voluntary income:</i>				
Friday Lillah donation	16,620	-	16,620	17,875
Lillah donation	22,537	-	22,537	9,229
Eid day collection	3,215	-	3,215	1,374
House Box collection	360	-	360	255
Tabligh Jamaat donation	450	-	450	339
Nikah fees	118	-	118	251
Repairs – fire alarm system upgrade donation	-	7,624	7,624	-
Imtehan/graduation prizes donation	-	4,399	4,399	-
<i>Investment income:</i>				
Bank deposit interest received	29	-	29	50
<i>Activities for generating funds:</i>				
Rental income – Flats and house	33,503	-	33,503	22,090
Rental income – Community centre and utensils	7,831	-	7,831	6,773
<i>Other incoming resources:</i>				
Gift aid tax recovery	7,503	-	7,503	3,577
Total incoming resources	170,141	12,023	182,164	147,997

NUNEATON MUSLIM SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES – MASJID AND MADRASAH FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

	Unrestric- ted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Total incoming resources	170,141	12,023	182,164	147,997
	=====	=====	=====	=====
Expenditure on				
<i>Cost of generating funds</i>				
Gas	9,143	-	9,143	8,809
Electricity	8,097	-	8,097	3,133
Council tax	434	-	434	(126)
Repairs and maintenance	2,509	7,624	10,133	9,662
Insurance	2,714	-	2,714	4,136
Water charges	1,671	-	1,671	3,587
Cleaning, gardening and laundry	1,268	-	1,268	217
Depreciation	923	-	923	1,042
	-----	-----	-----	-----
	26,759	7,624	34,383	30,460
	-----	-----	-----	-----
<i>Support costs:</i>				
Imam's salary, employers' NIC and pension	23,570	-	23,570	29,629
Madrasah expenses	69,571	-	69,571	58,882
Furlough claims	-	-	-	(644)
Ramadan expenses	8,400	-	8,400	2,091
Imtehan/ graduation prizes	159	4,399	4,558	1,260
Telephone	-	-	-	156
Printing, postage and stationery	312	-	312	836
Computer and software subscription	1,320	-	1,320	-
Professional fees – Community Centre Project	5,748	-	5,748	-
Property letting agent commission	1,400	-	1,400	-
Miscellaneous expenses	75	-	75	4,029
Bank charges	72	-	72	-
	-----	-----	-----	-----
	110,627	4,399	115,026	96,239
	-----	-----	-----	-----
Total resources expended	137,386	12,023	149,409	126,699
	=====	=====	=====	=====
Net income/(deficiency) resources	32,755	-	32,755	21,298
Other incoming resources				
Appeal funds and specific donations received	-	31,071	31,071	7,000
Appeal funds and specific donations re-donated	-	(29,756)	(29,756)	(4,798)
	-----	-----	-----	-----
Net movement in funds	£ 32,755	£ 1,315	£ 34,070	£ 23,500
	=====	=====	=====	=====

NUNEATON MUSLIM SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES – BOOKSHOP & KITAB FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	£	£	£	£
Turnover				
Sales		12,428		16,718
Cost of sales				
Opening stock at 1 January 2022	1,552		475	
Purchases	23,637		15,775	
	-----		-----	
	25,189		16,250	
Closing stock at 31 December 2022	(14,206)		(1,552)	
	-----		-----	
	(10,983)		(14,698)	
	-----		-----	
	1,445		2,020	
Less expenses		-		-
Net surplus / (deficiency)		-----		-----
		£ 1,445		£ 2,020
		=====		=====

NUNEATON MUSLIM SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES – BURIAL FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	£	£	£	£
Income				
Burial charges		3,875		4,257
Cemetery fee recharged		22,068		28,567
Lillah donation received		249		6
		-----		-----
		26,192		32,830
Expenses				
Cemetery fee charges by NBBC	22,068		28,787	
Purchase of coffins and kafan materials	2,251		3,155	
External burial services	385		-	
Funeral car insurance and road tax	877		1,245	
Depreciation – funeral car	1,295		1,726	
	-----		-----	
		(26,876)		(34,913)
		-----		-----
Net surplus / (deficiency)		£ (684)		£ (2,083)
		=====		=====

NUNEATON MUSLIM SOCIETY

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets	6	1,493,311	1,296,390
Current assets			
Stocks		14,206	-
Prepayments		-	6,225
Cash at bank		74,932	205,228
Total current assets		89,138	211,453
Liabilities			
<i>Creditors falling due within one year</i>			
Accruals		(14,775)	(22,862)
		74,363	188,591
Net assets		£ 1,567,674	£ 1,484,981
The funds of the charity			
Unrestricted funds	7	1,566,359	1,484,981
Restricted funds	7	1,315	-
Total charity funds		£ 1,567,674	£ 1,484,981



.....
Mohammed Shafi Khalifa (Interim President)



.....
Mustafa Khalifa (Secretary)



.....
Zahir Aadam (Treasurer)

Approved by the Board of Trustees on 23 May 2023

NUNEATON MUSLIM SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 in the Administrative Details of the Charity on page 2.

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 2022

(continued)

(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:

Funeral car	-	25% written down value
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 totalling £93,141 (2021: £87,867) related to payments made to 20 employees (2021: 18). No amounts were reimbursed specifically for travelling expenses.

5. Fees for independent examination of the accounts

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

NUNEATON MUSLIM SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

(continued)

6. Fixed assets: tangible assets

	Freehold Land & Buildings £	Fixtures, Fittings & Equipment £	Funeral Car £	Utensils & Cutlery £	Total £
Cost					
At 1 January 2022	1,292,219	63,931	-	2,559	1,358,709
Transfers	-	-	17,456	-	17,456
Additions	193,517	443	-	-	193,960
	-----	-----	-----	-----	-----
At 31 December 2022	1,485,736	64,374	17,456	2,559	1,570,125
	=====	=====	=====	=====	=====
Depreciation					
At 1 January 2022	-	59,765	-	2,554	62,319
Transfers	-	-	12,277	-	12,277
Charge for the year	-	922	1,295	1	2,218
	-----	-----	-----	-----	-----
At 31 December 2022	-	60,687	13,572	2,555	76,814
	=====	=====	=====	=====	=====
Net Book Value					
At 31 December 2022	£ 1,485,736	£ 3,687	£ 3,884	£ 4	£ 1,493,311
	=====	=====	=====	=====	=====
At 31 December 2021	£ 1,292,219	£ 4,166	£ -	£ 5	£ 1,296,390
	=====	=====	=====	=====	=====

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022
(continued)

Analysis of Fund Movements	Balance b/fwd £	Transfer reserves bookshop & burial £	Incoming resources £	Resources expended £	Transfers £	Funds c/fwd £
Unrestricted funds:						
Masjid and madrasah	1,484,981	-	170,141	(137,386)	-	1,517,736
Bookshop and kitab	-	26,940	12,428	(10,983)	-	28,385
Burial	-	20,922	26,192	(26,876)	-	20,238
	£ 1,484,981	£ 47,862	£ 208,761	£ (175,245)	£ -	£ 1,566,359

16