Company registration number CE005769 (England and Wales)

Charity registration number 1164657 (England and Wales)

SRI LANKAN MUSLIM CULTURAL CENTRE UK

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

SRI LANKAN MUSLIM CULTURAL CENTRE UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A R Munawar	
	Mr S M Lareef	
	Mr M L Mohamed Mowsoop	
	Mr M M Basheer	
	Mr N Farook	
	Mr F Faizeen	
	Mr N Mohamed	(Appointed 25 April 2026)
	Mr M M Mubarak	(Appointed 25 April 2026)
	Mr M I M Imran	(Appointed 25 April 2026)
	Mr M S Naeem	(Appointed 25 April 2026)
	Mr S M Shabeen	(Appointed 25 April 2026)
	Mr M Z Hussain	(Appointed 25 April 2026)
	Mr M A Nawas	(Appointed 25 April 2026)
	Mr S M Siddeeque	(Appointed 25 April 2026)
Country of incorporation	United Kingdom (England and Wales)	CE005769
Charity registration	England and Wales	1164657
Principal address	2 Whitefriars Avenue Harrow Middlesex United Kingdom HA3 5RN	
Registered office	2 Whitefriars Avenue Harrow Middlesex United Kingdom HA3 5RN	
Auditor	Reddy Siddiqui LLP 183-189 The Vale Acton London United Kingdom W3 7RW	

SRI LANKAN MUSLIM CULTURAL CENTRE UK

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SRI LANKAN MUSLIM CULTURAL CENTRE UK

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their report and financial statements for the year ended 31 December 2025.

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 CIO's constitution, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Our objectives are set to reflect our faith and community aims. Each year 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 aims remain to provide a facility as a worship place for Muslims and facilitate community activities for Sri Lankan Muslims in UK and Muslim inhabitants of Harrow. Our long term ambition is to improve their faith and to maintain confidence, respect and peace among the community through our activities.

The objects of the charity are set out in the charity's constitution and are summarised as:
1. To advance the Islamic Religion.
2. To promote the Islamic and Secular education, sport and leisure activities.
3. To relieve those who are in conditions of poverty, sickness and distress or those who are otherwise in charitable need.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the CIO should undertake.

OBJECTIVES AND ACTIVITIES
Significant activities

Charitable Activities: The charity engages in a diverse range of activities aligned with its charitable objectives. The trustees consider these activities, summarised below, to be beneficial for worshippers at our Centre, Sri Lankan Muslims in the United Kingdom, and the broader Harrow community.

Religious and Social Activities: Our Centre serves as a place of worship and congregation, hosting events integral to our faith and culture. During the reviewed period, we offered a variety of religious services and activities, including:

Prayers: The Centre remains accessible throughout the day for daily and Friday prayers. The average weekly attendance for prayers exceeds 2,500 individuals, with significantly increased attendance during Ramadan. The congregation for the Friday Jumu'ah prayer consistently exceeds 1,000 attendees. The Friday sermon and weekly talks are delivered in English.

Ramadan: This period witnesses the highest footfall, with approximately 1,000 to 1,500 individuals attending congregational prayers every day. It poses challenges for our dedicated staff and volunteers, who work tirelessly into the night to facilitate special prayers attended by thousands. Each evening, the Mosque provides free Iftar meals for an average of 500 men and women. The Mosque conducts six congregational prayers on each of the two Eid mornings, catering to over 6,000 worshippers for Eid al-Fitr and Eid al-Adha.

Qur'an and Islamic Educational Classes: Learning and memorising the Qur'an remain central to our educational work. Islamic educational classes are conducted regularly for young members of the community, with approximately 700 students attending Al-Falah Educational Centre across weekday and weekend provision. The programme includes weekday and weekend Maktab, Hifdh classes, morning Hifdh, teen classes and intensive Hifdh courses. The trustees are grateful to the Imams, teachers, staff, parents and volunteers who continue to support the development of the Madrasah.

Islamic Lectures: The Centre continues to organise Islamic lectures and weekly classes delivered by local and visiting scholars on a range of religious topics. These include regular classes such as Seerah, Tafsir, Fiqh and Qur'anic learning, together with special programmes during Ramadan, Hajj and other important periods. These activities aim to promote authentic Islamic knowledge, strengthen faith and support social cohesion within a safe environment.

Zakat: The Centre collects Zakat in accordance with Islamic teachings and distributes it for appropriate charitable purposes, including helping those in need and supporting Islamic education. The Centre also facilitates Zakat donations through registered UK charities and registered charities in Sri Lanka. SLMCC undertakes this collection and distribution without charge.

Qurbani: The Centre collects contributions for Qurbani during the Hajj period from individuals. These contributions are distributed among the less fortunate in Sri Lanka.

Disaster Relief: The Centre collects donations independently or in collaboration with relief organisations to assist those affected by emergencies and hardship. During the year, SLMCC continued to support charitable appeals and relief work, including community fundraising in response to the Sri Lanka flood disaster.

Islamic Higher Education Project: The trustees continued work relating to 2A Tudor Road, Harrow, with the long-term objective of establishing an Islamic higher education and adult learning facility. During 2025, professional advisers were engaged, including architects, planning consultants, transport consultants and marketing advisers, and a pre-application process was progressed with the local authority. The trustees continue to work towards a planning application for the front portion of the premises while retaining rental income from the rear portion to support the charity.

Community Activities:

Sports and Social Activities: The Centre continued to organise and support sports, recreational and social activities for children, young people, families and adults within the Sri Lankan Muslim community and wider Harrow area. Activities included the Annual BBQ and Family Day Out, community football, family events and wider social activities which strengthen unity and community participation.

Youth Club: In partnership with Al-Buraaq Youth Foundation, the Centre continued to host regular Friday evening youth club sessions. These sessions provide a safe and structured environment for boys and girls to build friendships, develop skills, benefit from reminders and remain connected to the Masjid.

Interfaith and Public Engagement Activities: The Centre continues to engage with local residents, civic representatives, schools, community organisations, statutory bodies and other faith groups to promote inter-community understanding, dialogue and cooperation.

Community Support: The SLMCC-NIDA Foodbank, initiated in January 2021 in collaboration with HelpHarrow (Harrow Council), continues to distribute essential food parcels to those in need. Operating at SLMCC as a distribution and collection point, the foodbank remains an important part of the charity's social welfare provision.

Utilisation of Volunteers: Volunteers are a vital resource in our faith and community initiatives. They actively participate in the majority of our activities and projects. We encourage SLMCC community members to engage in voluntary activities and share their expertise. Volunteers involved in projects concerning children or vulnerable groups undergo DBS checks and relevant safeguarding checks where required.

Strategic Report
The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance
Charitable activities

Education Excellence Awards: The 9th Annual Sri Lankan Muslim Educational Excellence Awards was held in January 2025, recognising and celebrating academic achievement within the Sri Lankan Muslim community. The event brought together students, parents, professionals and community members, and helped inspire young people to pursue educational excellence.

Health, Wellbeing and Community Development: The Centre continued to support programmes that benefit the health, wellbeing and development of the community, including awareness sessions, educational initiatives, youth development and community support activities. These programmes aim to help members of the community make informed decisions and contribute positively to society.

Facilities and Maintenance: The trustees continued to invest time and resources into maintaining and improving the Centre. This included work relating to washrooms, wudu facilities, carpet cleaning, maintenance of prayer spaces, health and safety, access arrangements, parking management and general building upkeep.

Financial review
Principal funding sources
Our Centre's main sources of income are regular community members' donations and Friday congregations' donations, Madrasah income, shop income, rental income and income generated through community activities and events.

Investment policy and objectives
SLMCC has no long term investments. Our cash reserves are held in current accounts.

Reserves policy
The trustees have reviewed the reserves of the charity. Their policy is to hold sufficient funds to meet four months operating costs of the Centre, excluding the collection and distribution of Zakat, and of our community activities and programs.

It is the policy of the CIO 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 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 CIO's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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

The Trustees have assessed the major risks to which the CIO is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Sri Lankan Muslim Cultural Centre UK (SLMCC) is constituted as a Charitable Incorporated Organisation registered with the Charity Commission on 2nd December 2015 under charity number 1164657. It is governed by constitution.

Sri Lankan Muslim Cultural Centre UK (SLMCC) was previously governed by a deed of trust. The trustees and its members were pursuing the possibility of moving to Charitable Incorporated Organisation model. After a long process, it was incorporated as a CIO on 02 December 2015.

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

Mr A R Munawar	
Mr M A Mohamed Ibrahim	(Retired 25 April 2026)
Mr S M Razeen	(Retired 31 July 2026)
Mr M Majeeth	(Retired 25 April 2026)
Mr H Mohamed	(Retired 25 April 2026)
Mr M M Ilyas	(Retired 25 April 2026)
Mr S M Lareef	
Mr A H Mohamed Lafir	(Retired 25 April 2026)
Mr M Junaideen	(Retired 25 April 2026)
Mr M L Mohamed Mowsoop	
Mr M M Basheer	
Mr M Noordeen	(Retired 25 April 2026)
Mr N Farook	
Mr F Faizeen	
Mr M Mubassir	(Retired 25 April 2026)
Mr N Mohamed	(Appointed 25 April 2026)
Mr M M Mubarak	(Appointed 25 April 2026)
Mr M I M Imran	(Appointed 25 April 2026)
Mr M S Naeem	(Appointed 25 April 2026)
Mr S M Shabeen	(Appointed 25 April 2026)
Mr M Z Hussain	(Appointed 25 April 2026)
Mr M A Nawas	(Appointed 25 April 2026)
Mr S M Siddeeque	(Appointed 25 April 2026)

None of the Trustees has any beneficial interest in the CIO.

The trustees are responsible for the general control and management of the charity. The connected parties to trustees work and receive remuneration or other financial benefits for their work. Please see note 16.

The trustees meet together as a body normally on a monthly basis and are responsible for all decisions taken in relation to running the Centre as well as the community facilities and the activities provided by the Centre. To assist in the smooth running of the charity the trustees have set up a number of sub committees that help them oversee certain aspects of the charity's work. List of sub-committees are as follows;

1. Al Falah Educational Centre
2. Building and Estates Maintenance
3. Da'wah and Religious Affairs
4. Education and Community Development
5. Fundraising
6. Janaza And Funeral Services
7. Media and IT
8. Prayers and Shop
9. Public Relations
10. Social Welfare and Outreach
11. Sports, Recreational and Social Activites
12. Youth Affairs

Each sub-committee is chaired by a member of the Board of Trustees (BoT). Members outside the BoT also form part of these sub-committees making it a wider participation amongst the community members. Sub committees have been delegated specific tasks from the BoT and there is clear scope of their roles and responsibilities. Progress are updated from each sub committees and discussed monthly at BoT meetings by the respective chairperson.

Induction and training of new trustees
Following the appointment, new trustees are introduced to their role and given a copy of the constitution and amendments; a copy of the annual report and statement of accounts and a guide to the policies, procedure and by laws. A number of publications from the Charity Commission are also provided including the guidance on charities, public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Risk management
The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings and at meetings of the two sub committees on finance and buildings. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified. In particular, Insurance cover is in place and the finances of the Centre are kept under review.

Auditor
In accordance with the company's articles, a resolution proposing that Reddy Siddiqui LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report, including the strategic report, was approved by the Board of Trustees.

Mr A R Munawar
Trustee
Dated: 26 October 2026

Mr M M Mubarak
Trustee
Dated:26 October 2026

SRI LANKAN MUSLIM CULTURAL CENTRE UK

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees, who are also the directors of Sri Lankan Muslim Cultural Centre UK for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SRI LANKAN MUSLIM CULTURAL CENTRE UK

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SRI LANKAN MUSLIM CULTURAL CENTRE UK

Opinion

We have audited the financial statements of Sri Lankan Muslim Cultural Centre UK (the 'CIO') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the CIO in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the CIO's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SRI LANKAN MUSLIM CULTURAL CENTRE UK

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the CIO for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the CIO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Seema Siddiqui (Senior Statutory Auditor)
For and on behalf of Reddy Siddiqui LLP, Statutory Auditor
Chartered Accountants
183-189 The Vale
Acton
London
W3 7RW
United Kingdom
26 October 2026

SRI LANKAN MUSLIM CULTURAL CENTRE UK

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	3	278,680	67,497	346,177	267,671	11,627	279,298
Other trading activities	4	157,300	-	157,300	102,985	-	102,985
Other income	5	409,732	-	409,732	422,895	-	422,895
Total income		845,712	67,497	913,209	793,551	11,627	805,178
Expenditure on:							
Charitable activities	6	762,989	77,000	839,989	627,166	16,038	643,204
Total expenditure		762,989	77,000	839,989	627,166	16,038	643,204
Net income/(expenditure) and movement in funds		82,723	(9,503)	73,220	166,385	(4,411)	161,974
Reconciliation of funds:							
Fund balances at 1 January 2025		4,289,570	864,852	5,154,422	4,123,185	869,263	4,992,448
Fund balances at 31 December 2025		4,372,293	855,349	5,227,642	4,289,570	864,852	5,154,422

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

SRI LANKAN MUSLIM CULTURAL CENTRE UK

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	12		5,372,921		5,415,841
Current assets					
Stocks	13	2,653		6,915	
Debtors	14	79,678		70,629	
Cash at bank and in hand		77,076		106,444	
		159,407		183,988	
Creditors: amounts falling due within one year	15	(304,686)		(445,407)	
Net current liabilities			(145,279)		(261,419)
Total assets less current liabilities			5,227,642		5,154,422
The funds of the CIO					
Restricted income funds	17		855,349		864,852
Unrestricted funds	18		4,372,293		4,289,570
			5,227,642		5,154,422

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 October 2026

Mr A R Munawar
Trustee

Mr M M Mubarak
Trustee

1 Accounting policies

Charity information

Sri Lankan Muslim Cultural Centre UK is incorporated as Charitable Incorporated Organisation (CIO).

1.1 Basis of preparation

The financial statements have been prepared in accordance with the CIO's constitution, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). The CIO is a Public Benefit Entity as defined by FRS 102.

The CIO 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.

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

1.2 Going concern

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

1.3 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.

1.4 Income

Income is recognised when the CIO 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 CIO 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 CIO 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

1 Accounting policies (Continued)

1.5 Expenditure

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.

1.6 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:

Freehold land and buildings	49 years Straight line
Plant and equipment	20% on cost
Fixtures and fittings	20% on cost
Computers	33% (3 Years on SL)

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.

1.7 Impairment of fixed assets

At each reporting end date, the CIO 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).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 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.

1 Accounting policies **(Continued)**

1.10 Financial instruments

The CIO 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 CIO's balance sheet when the CIO 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 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 CIO's contractual obligations expire or are discharged or cancelled.

1.11 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 CIO is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the CIO'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 ongoing 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.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	275,560	-	275,560	263,951	-	263,951
Membership fees	3,120	-	3,120	3,720	-	3,720
Other	-	67,497	67,497	-	11,627	11,627
	278,680	67,497	346,177	267,671	11,627	279,298

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Letting and licensing arrangements	94,405	102,985
Other income	62,895	-
Other trading activities	157,300	102,985

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income & Donation from Al Falah	327,450	275,128
Other Income	82,282	147,767
	409,732	422,895

6 Expenditure on charitable activities

	Charitable Expenses 2025 £	Charitable Expenses 2024 £
Direct costs		
Distribution of Disaster Relief Fund	66,000	-
Distribution of Zakat Fund	11,000	16,038
	77,000	16,038
Share of support and governance costs (see note 7)		
Support	744,724	619,049
Governance	18,265	8,117
	839,989	643,204
Analysis by fund		
Unrestricted funds	762,989	627,166
Restricted funds	77,000	16,038
	839,989	643,204

7 Support costs allocated to activities

	2025 £	2024 £
Staff costs	379,219	357,139
Depreciation	47,496	46,574
Other Cost	318,009	215,336
Governance costs	18,265	8,117
	762,989	627,166
Analysed between:		
Charitable Expenses	762,989	627,166

8 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,898	4,655
Depreciation of owned tangible fixed assets	47,496	46,574

9 Trustees

None of the trustees received any remuneration during the year but 7 persons who are connected to trustees, received the remuneration totalling £71,966.24 (2024 - 6 persons to trustees, received the remuneration of £59,201.41).

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	52	45

Employment costs	2025 £	2024 £
Wages and salaries	364,454	349,250
Social security costs	11,738	7,889
Other pension costs	3,027	-
	379,219	357,139

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2025	5,500,000	13,120	15,305	2,711	5,531,136
Additions	-	2,785	1,790	-	4,575
At 31 December 2025	5,500,000	15,905	17,095	2,711	5,535,711
Depreciation and impairment					
At 1 January 2025	89,796	8,549	15,305	1,644	115,294
Depreciation charged in the year	44,898	1,471	594	533	47,496
At 31 December 2025	134,694	10,020	15,899	2,177	162,790
Carrying amount					
At 31 December 2025	5,365,306	5,885	1,196	534	5,372,921
At 31 December 2024	5,410,204	4,570	-	1,067	5,415,841

13 Stocks

	2025	2024
	£	£
Finished goods and goods for resale	2,653	6,915

14 Debtors

Amounts falling due within one year:	2025 £	2024 £
Other debtors	76,678	66,329

Amounts falling due after more than one year:	2025 £	2024 £
Other debtors	3,000	4,300
Total debtors	79,678	70,629

15 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	4,466	2,922
Other creditors	295,322	437,925
Accruals and deferred income	4,898	4,560
	304,686	445,407

16 Retirement benefit schemes

Defined contribution schemes	2025	2024
	£	£
Charge to profit or loss in respect of defined contribution schemes	3,027	-

The CIO operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the CIO in an independently administered fund.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
	864,852	67,497	(77,000)	855,349

Previous year:

	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
	869,263	11,627	(16,038)	864,852

18 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 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
General funds	4,289,570	845,712	(762,989)	4,372,293

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	4,123,185	793,551	(627,166)	4,289,570

19 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 December 2025:			
Tangible assets	5,372,921	-	5,372,921
Current assets/(liabilities)	(1,000,628)	855,349	(145,279)
	4,372,293	855,349	5,227,642

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 December 2024:			
Tangible assets	5,415,841	-	5,415,841
Current assets/(liabilities)	(1,126,271)	864,852	(261,419)
	4,289,570	864,852	5,154,422

20 Related party transactions

During the year the CIO entered into the following transactions with related parties:

None of the trustees received any remuneration during the year but 7 persons are connected to trustees, received the remuneration totalling £71,966.24 (2024 - 6 persons connected to trustees, received the remuneration of £59,201.41). Trustees connected parties names are as below, who were paid during the year.

Name of the Related Party	Name of the person connected to
Abdullah Munawar	Abdur Rahman Munawar
Umai Salma Munawar	Abdur Rahman Munawar
Ammar Munawar	Abdur Rahman Munawar
Umai Iman Munawar	Abdur Rahman Munawar
Mirsab Majeeth	Ismail Majeeth
Fathima Sareefdeen	Faik Faizeen
Fahd Faizeen	Faik Faizeen