

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
DERBY JAMIA MOSQUE**

Ashtree Audit Ltd
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
The Pavilion
Strelley Hall
Nottingham
Nottinghamshire
NG8 6PE

DERBY JAMIA MOSQUE

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FOR THE YEAR ENDED 31 MARCH 2023**

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DERBY JAMIA MOSQUE

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023**

TRUSTEES

N Hussain
M Hussain
K Khan
Hajji J Iqbal
Haji M Khushnud
B Ali

PRINCIPAL ADDRESS

6 Rosehill Street
Derby
DE23 8EX

REGISTERED CHARITY NUMBER 511758

AUDITORS

Ashtree Audit Ltd
The Pavilion
Strelley Hall
Nottingham
Nottinghamshire
NG8 6PE

SOLICITORS

Flint Bishop Solicitors
St Michael's Court
St Michael's Lane, Derby
Derby
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DE1 3HQ

DERBY JAMIA MOSQUE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. 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 aims

The purposes of the Charity as set out in its governing document.

The charity's aim and objectives are described in the Trust Deed dated 3rd June, 1984. The trustees confirm that they have complied with the duties in section 17 (5) of the 2011 Charities Act; in that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit, when reviewing the charity's aims and objectives and in planning future activities.

The objectives described are:

- To worship God;
- To promote the Muslim religion through social and cultural activities in the city of Derby; and
- To provide after school classes for learning Islamic Education and Arabic Language.

The Charities strategies for achieving its aims and objectives in the future:

The charity recognises that the membership fees are the primary source of the charitable income that ensures that the organisation is able to continue to operate and cover its general overheads.

Tuition is provided as an additional service and is charged accordingly, it is intended that the amount charged at least covers the costs of providing that service and in addition provides a contribution to the Mosque general funds.

Funds for capital improvements have historically largely been achieved by internal fund raising from the charity's own members, this is likely to continue in future.

Significant activities

The Charity intends to continue its educational classes to younger persons and to continue to promote the Muslim religion throughout the community and City.

The mosque reaches out to all persons in the locality and, through the use of additional smaller buildings, gives the public greater access to the charity.

The charity will continue to hold events on behalf of the members as required.

Public benefit

In the previous years the extension project at the Rosehill Street was completed in order to increase the number of people attending the mosque. The charity has purchased additional property at Village Street and more recently 76 Whitaker Street has been purchased. The charity also continues to improve classroom facilities in order to facilitate the increased demand for learning of Islamic education.

The core objectives continue to be to provide new improved Islamic courses and to bring various guest speakers to give lectures as well as improve the quality of teaching.

The core objective of the charity is to continue to maintain self sustainability with no reliance upon external factors or funders. To this end, the charity continues to keep a close control of the finances, continuing to monitor expenditure and to enhance both members subscriptions, donations and tuition fees.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Volunteers

To achieve its objectives, the charity is reliant upon the staff employed either on full or part time basis and upon the members and volunteers, all of whom are dedicated to helping the charity.

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

The charity relies upon subscriptions from its members during the year, and additional internal fundraising from its members and donors for specific purposes such as the purchase of property in order to expand and enhance the learning experience.

There have been no other substantial external fundraising activities and no external third party funding or donations have been received.

DERBY JAMIA MOSQUE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Achievements and performance

The charity has achieved its continuing objectives of providing a venue for worship to the local Muslim community, it has also expanded its capacity for teaching Islamic education to both young and old members alike.

The Mosque undertakes events within the local community and operates as a 'central hub' to its members. The Mosque continues to be self-sufficient, and provides services to its members at an affordable rate.

The difference the charity's performance during the year has made to the beneficiaries of the charity:

- The charity has been able to provide the local community and its members with a safe environment in which to worship God, as well as integral centre for teaching and providing community facilities.
- The use of additional smaller buildings gives members greater access to the charity in a more personal manner and smaller groups.
- The degree to which the achievements and performance during the year have benefited wider society:
- The charity seeks to promote the Muslim religion throughout the city of Derby, it provides support to individuals and educates children and adults that wish to learn about Islam.
- The charity continues to hold a variety of events on behalf of the members as required.

How the achievements during the year measure up to the objectives set:

The committee are satisfied with the achievements attained during the year, it has met its primary objectives in providing facilities and services to the local community, and has maintained and managed its finances responsibly by continuing to monitor expenditure, and to enhance members' subscriptions, donations and tuition fees. The charity remains in a position to cover its overheads as well as being able to raise sufficient funds as and when required to purchase capital items and property in furtherance of its objectives.

Expenditure incurred in the year in order to raise income in the future:

An amount of £95,835 was spent on acquiring an additional property, 16 Whitaker Street, during the year for investment purposes.

£74,463 was spend on repairs on existing properties. The charity uses properties to provide educational classes to children and adults in line with the charity's objectives.

Property purchases and improvements enable the charity to increase its membership base and to provide educational classes to a greater number of children and adults, in furtherance to the charity's objectives. The classes generate tuition income, and additional membership fees, for both current and future periods.

Significant events which have affected the financial performance and financial position:

Changes in fixed assets are shown in the detail in the notes to the accounts.

The charity has chosen not to revalue its land and property, it has used historic cost or net current value.

FINANCIAL REVIEW

Financial position

Total funds increase to £5,051,720 from £4,874,579 (2022). This increase is analysed as follows: Restricted reserves have decreased from £244 to £184, and Unrestricted reserves increased from £4,874,335 to £5,051,536.

The above shows an overall net increase of £177,141 (2022: £105,441).

Financial performance during the period shows total income increasing to £767,433 from £641,998 (2022), and total expenditure increased from £536,557 (2022) to £590,292.

Net income increased by 68.0% to £177,141 from £105,441 (2022).

Funds of £74,463 have been allocated for repairs and maintenance of charity's properties from existing cash resources without resorting to external funding, borrowing or grants.

DERBY JAMIA MOSQUE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Principal funding sources

The charity receives its income from members' donations, membership fees and from tuition fees.

Expenditure is primarily on wages and salaries in respect of the running of the charity, this includes tuition costs in respect of after school classes and furtherance of the charity's objectives.

The charity is not generally dependent upon, nor has it received grants from any external bodies in the past except from the government in respect of HMRC's Coronavirus Job Retention Scheme. In the previous financial year the charity received furlough income of £21,936.

Income from the charity's members is in effect expended upon those same members by way of the provision of a place of worship, and through education.

Reserves policy

The reserves policy of the trustees is to increase unrestricted funds, in order to primarily continue the development of the principal office of the charity. Unrestricted reserves stand at £5,051,536 and restricted reserves £184.

At present, reserves are in excess of £5 million, the majority of which are invested in freehold land & property. Whilst the charity looks to increase unrestricted funds, it recognises that it also wishes to continue to acquire property from its own internally generated unrestricted cash resources. The level of cash reserves is therefore liable to fluctuate depending upon the level of asset purchases in that year.

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Going concern and COVID 19

As part of the going concern review, the trustees have considered its current working capital and cash resources together with cash flow forecasts for a period of at least 12 months from the date of signing of these financial statements and are confident that the charity can meet its liabilities as they fall due.

In addition, the trustees have considered the impact of the COVID-19 pandemic on the charity from both a financial and economic perspective and do not consider that this poses any further material threat on the going concern of the charity.

Potential impact of Brexit and the Euro

The trustees do not believe that Britain exiting the European Union will have any material or adverse impact on the charity or its future performance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document

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

The Charity is constituted as an unincorporated charity, established by Trust Deed and its governing document is a Trust Deed and its formal provisions.

The Governing Document is dated 3rd June 1984.

The governing document was amended on 19th February 1992, 18th November 2007, 20th December 2009, 1st January 2012 and 13th January 2013.

Recruitment and appointment of new trustees

The management Committee consists of between six and twelve members, who are appointed every two years at an Annual General Meeting.

Potential committee members are identified and selected from the Charity's general membership and local community. Trustees are selected based upon their knowledge, relevant skills and time available to commit to the charity.

How the charity makes decisions and how decisions are delegated:

The charity has a management committee (trustees) of volunteer members, who have overall control and responsibility for policy and major decision making.

Day to day management and responsibility for implementing policies is carried out by a paid manager and other assistants/administrators. Tuition and other part time staff are employed for specific tuition and tasks.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

A room located at 6 Rose Hill is currently being used on a rent free and service charge free basis by An-Noor Nursery. In return for this, the nursery provides a free drop-off facility for the under five children of both members and non-members attending prayers. In addition, the nursery provides Islamic education to children of the members and local community that furthers one of the main objectives of the charity which is Islamic education. This arrangement was authorised by the 2008 management committee. Some of the current trustees are involved in the management of the nursery. The nursery also provides an invaluable free benefit for members in the form of a drop off facility for children under five while their parents attend prayers.

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.

Risks and uncertainties facing the Charity

The Board of Trustees have examined the major strategic, business and operational risks faced by the charity.

Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Budgetary and internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers and participants in all activities organised by the charity. These procedures are periodically reviewed to ensure they continue to meet the needs of the charity.

The charity receives a large proportion of its income from members in the form of cash donations, the handling of and safe custody of cash represents a financial and operational risk to the charity, additional procedures have been implemented to ensure the transparency of donations, the accurate recording of income, and the minimisation of the risks of theft and fraud.

The provision of education and tuition to children and other vulnerable individuals within the community represents an operational risk to the charity and its members, additional safeguarding procedures and policies have been implemented to mitigate these risks. During the periods of lockdown in 2020 to 2022 the classes were suspended and replaced with online classes, returning back to normal by the start of this financial year. The number of students have now returned to pre-pandemic levels and the average number of students for the current year is in the region of 750.

DISCLOSURE OF INFORMATION TO AUDITOR

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 which 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DERBY JAMIA MOSQUE
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Approved by order of the board of trustees on 13 June 2023 and signed on its behalf by:

N. Hussain

N Hussain - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF DERBY JAMIA MOSQUE

Opinion

We have audited the financial statements of Derby Jamia Mosque (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In seeking to form an opinion on the financial statements the implications of the following significant uncertainty was considered:

- In respect of land and buildings, searches with HM Land Registry identified that in some instances title deeds were not in the name of the Charity or current trustees but held in the names of previous trustees.

In respect of the above, we have been unable to obtain sufficient and appropriate audit evidence regarding the possible effect of the uncertainty.

Disclaimer of opinion on financial statements

Because of the significance of the possible impact of the uncertainty relating to the ownership of certain land and buildings, as described above in the opinion paragraph above, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
DERBY JAMIA MOSQUE**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

Following a detailed risk assessment at the planning stage, which was updated for any further risks of fraud and error identified during the fieldwork, the following areas of risk were identified:

- Income recognition.

In response to the specific risk areas identified, our procedures included the following:

- In addressing income recognition, we performed detailed and substantive testing of donations received and income from charitable activities on a sample basis throughout the year.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. Furthermore, there are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' 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.

Ashtree Audit Ltd.

Ashtree Audit Ltd
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Nottinghamshire
NG8 6PE

Date:

14 June 2023

DERBY JAMIA MOSQUE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted fund £	Restricted fund £	31/3/23 Total funds £	31/3/22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	584,048	-	584,048	511,649
Charitable activities					
Provision of Islamic education	3	182,385	-	182,385	108,413
Other income	4	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>21,936</u>
Total		<u>767,433</u>	<u>-</u>	<u>767,433</u>	<u>641,998</u>
EXPENDITURE ON					
Charitable activities					
Provision of Islamic education	5	1,441	-	1,441	3,340
Taraveeh prayers		1,000	-	1,000	-
Other		<u>587,791</u>	<u>60</u>	<u>587,851</u>	<u>533,217</u>
Total		<u>590,232</u>	<u>60</u>	<u>590,292</u>	<u>536,557</u>
NET INCOME/(EXPENDITURE)		177,201	(60)	177,141	105,441
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>4,874,335</u>	<u>244</u>	<u>4,874,579</u>	<u>4,769,138</u>
TOTAL FUNDS CARRIED FORWARD		<u>5,051,536</u>	<u>184</u>	<u>5,051,720</u>	<u>4,874,579</u>

The notes form part of these financial statements

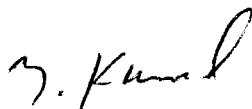
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STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	Notes	Unrestricted fund £	Restricted fund £	31/3/23 Total funds £	31/3/22 Total funds £
FIXED ASSETS					
Tangible assets	13	4,367,275	-	4,367,275	4,328,194
CURRENT ASSETS					
Debtors	14	3,271	-	3,271	2,942
Cash at bank and in hand		<u>739,246</u>	<u>184</u>	<u>739,430</u>	<u>604,786</u>
		742,517	184	742,701	607,728
CREDITORS					
Amounts falling due within one year	15	(58,256)	-	(58,256)	(61,343)
NET CURRENT ASSETS		<u>684,261</u>	<u>184</u>	<u>684,445</u>	<u>546,385</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,051,536</u>	<u>184</u>	<u>5,051,720</u>	<u>4,874,579</u>
NET ASSETS		<u>5,051,536</u>	<u>184</u>	<u>5,051,720</u>	<u>4,874,579</u>
FUNDS	16				
Unrestricted funds:					
General fund				5,051,536	4,874,335
Restricted funds:					
Religious Celebrations				<u>184</u>	<u>244</u>
TOTAL FUNDS				<u>5,051,720</u>	<u>4,874,579</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 June 2023 and were signed on its behalf by:



N Hussain - Trustee



M Khushnud - Trustee

DERBY JAMIA MOSQUE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31/3/23 £	31/3/22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>230,479</u>	<u>174,555</u>
Net cash provided by operating activities		<u>230,479</u>	<u>174,555</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(95,835)</u>	<u>(2,898)</u>
Net cash used in investing activities		<u>(95,835)</u>	<u>(2,898)</u>
Change in cash and cash equivalents in the reporting period		134,644	171,657
Cash and cash equivalents at the beginning of the reporting period		<u>604,786</u>	<u>433,129</u>
Cash and cash equivalents at the end of the reporting period		<u>739,430</u>	<u>604,786</u>

The notes form part of these financial statements

DERBY JAMIA MOSQUE

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/23	31/3/22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	177,141	105,441
Adjustments for:		
Depreciation charges	56,754	55,796
(Increase)/decrease in debtors	(329)	8,792
(Decrease)/increase in creditors	<u>(3,087)</u>	<u>4,526</u>
Net cash provided by operations	<u>230,479</u>	<u>174,555</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22	Cash flow	At 31/3/23
	£	£	£
Net cash			
Cash at bank and in hand	<u>604,786</u>	<u>134,644</u>	<u>739,430</u>
	<u>604,786</u>	<u>134,644</u>	<u>739,430</u>
Total	<u>604,786</u>	<u>134,644</u>	<u>739,430</u>

DERBY JAMIA MOSQUE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

Individual fixed assets costing £5,489,431 are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	1% straight line
Freehold land	0%
Fixtures and fittings	15% straight line

Impairment of fixed assets

An annual review of the likelihood of asset impairment is undertaken. The charity maintains its properties, which are functional assets for its charitable purposes, to a sufficient high standard that the trustees do not consider that an impairment provision would be required unless in the instance of a significant property market collapse.

Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

DERBY JAMIA MOSQUE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES - continued

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the charity will comply with conditions attaching to them and the grants will be received using the accrual model.

Grants relating to revenue are recognised in profit and loss on a systematic basis over the periods in which the charity recognises the related costs for which the grant is intended to compensate. Grants that are received in respect of expenses or losses already incurred by the charity are recognised in profit and loss in the period when the grant becomes receivable.

2. DONATIONS AND LEGACIES

	31/3/23	31/3/22
	£	£
Donations - Members	285,383	198,935
Donations - Non-Members	298,665	312,214
Donated services and facilities	-	500
	<u>584,048</u>	<u>511,649</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31/3/23	31/3/22
	£	£
Tuition fees	182,385	108,413
Activity Provision of Islamic education	<u>182,385</u>	<u>108,413</u>

4. OTHER INCOME

	31/3/23	31/3/22
	£	£
Government grants - Job Retention Scheme and COVID	-	21,936
Advertising income	1,000	-
	<u>1,000</u>	<u>21,936</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Provision of Islamic education	1,441
Taraveeh prayers	<u>1,000</u>
	<u>2,441</u>

6. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	<u>60</u>	<u>582,441</u>	<u>5,350</u>	<u>587,851</u>

Support costs, included in the above, are as follows:

Finance

	31/3/23 Other resources expended £	31/3/22 Total activities £
Bank charges	<u>60</u>	<u>60</u>

Other

	31/3/23 Other resources expended £	31/3/22 Total activities £
Wages and salaries	353,729	359,546
Social security	8,920	3,098
Pensions	6,877	6,999
Rates and water	27,545	9,826
Insurance	5,605	4,739
Light, heat and power	37,616	46,082
Telephone	1,396	800
Printing, postage and stationery	6,665	6,196
Repairs and maintenance	74,463	37,958
Cleaning	1,647	752
IT costs and maintenance	1,224	350
Depreciation of tangible fixed assets	<u>56,754</u>	<u>55,796</u>
	<u>582,441</u>	<u>532,142</u>

Governance costs

	31/3/23 Other resources expended £	31/3/22 Total activities £
Auditors' remuneration	4,250	4,000
Legal and professional fees	<u>1,100</u>	<u>(2,985)</u>
	<u>5,350</u>	<u>1,015</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

7. AUDITORS' REMUNERATION

	31/3/23	31/3/22
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>4,250</u>	<u>4,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

9. STAFF COSTS

	31/3/23	31/3/22
	£	£
Wages and salaries	353,729	359,546
Social security costs	8,920	3,098
Other pension costs	<u>6,877</u>	<u>6,999</u>
	<u>369,526</u>	<u>369,643</u>

The average monthly number of employees during the year was as follows:

	31/3/23	31/3/22
Management and administration	3	3
Maintenance	2	2
Educational	<u>31</u>	<u>29</u>
	<u>36</u>	<u>34</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	511,649	-	511,649
Charitable activities			
Provision of Islamic education	108,413	-	108,413
Other income	<u>21,936</u>	<u>-</u>	<u>21,936</u>
Total	<u>641,998</u>	<u>-</u>	<u>641,998</u>
EXPENDITURE ON			
Charitable activities			
Provision of Islamic education	3,340	-	3,340
Other	<u>533,007</u>	<u>210</u>	<u>533,217</u>
Total	<u>536,347</u>	<u>210</u>	<u>536,557</u>
NET INCOME/(EXPENDITURE)	105,651	(210)	105,441

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	4,768,684	454	4,769,138
	<u>4,874,335</u>	<u>244</u>	<u>4,874,579</u>
TOTAL FUNDS CARRIED FORWARD			

11. TAXATION

The charity is a registered charity and is therefore exempt from taxation.

12. PRIOR YEARS

During the year the charity received updated and amended water rates bills in respect of the properties listed in note 13 on page 17. The cost relating to prior periods is estimated to be in the region of £15,000 and this amount is included in the amount of £27,545 for rates and water as stated in note 6 on page 14.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2022	5,056,998	432,433	5,489,431
Additions	95,835	-	95,835
At 31 March 2023	<u>5,152,833</u>	<u>432,433</u>	<u>5,585,266</u>
DEPRECIATION			
At 1 April 2022	751,625	409,612	1,161,237
Charge for year	49,582	7,172	56,754
At 31 March 2023	<u>801,207</u>	<u>416,784</u>	<u>1,217,991</u>
NET BOOK VALUE			
At 31 March 2023	<u>4,351,626</u>	<u>15,649</u>	<u>4,367,275</u>
At 31 March 2022	<u>4,305,373</u>	<u>22,821</u>	<u>4,328,194</u>

Included in cost or valuation of land and buildings is freehold land of £154,679 (2022 - £154,679) which is not depreciated.

Historical costs of freehold buildings, including improvements, are as follows:

	2023 £	2022 £
6 Rosehill Street, Derby	3,543,071	3,543,071
52/54 Dairy House Road, Derby	504,697	504,697
97 Porter Road, Derby	61,492	61,492
1, 3, 5, 7 Holmes Street, Derby	47,082	47,082
9 & 11 Holmes Street, Derby (Land Only)	85,585	85,585
5, 6, 7 & 8 Whitaker Street Derby (Land only)	69,094	69,094
106 Porter Road, Derby	133,321	133,321
Village Street, Derby	612,656	612,656
76 Whitaker Street Derby	95,835	-
	<u>5,152,833</u>	<u>5,056,998</u>

DERBY JAMIA MOSQUE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31/3/23	31/3/22
		£	£
Prepayments		<u>3,271</u>	<u>2,942</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31/3/23	31/3/22
		£	£
Taxation and social security		3,341	6,874
Other creditors		<u>54,915</u>	<u>54,469</u>
		<u>58,256</u>	<u>61,343</u>

16. MOVEMENT IN FUNDS			Net movement in funds	At 31/3/23
	At 1/4/22			
	£	£	£	£
Unrestricted funds				
General fund	4,874,335	177,201		5,051,536
Restricted funds				
Religious Celebrations	244	(60)		184
TOTAL FUNDS	<u>4,874,579</u>	<u>177,141</u>		<u>5,051,720</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	767,433	(590,232)	177,201
Restricted funds			
Religious Celebrations	-	(60)	(60)
TOTAL FUNDS	<u>767,433</u>	<u>(590,292)</u>	<u>177,141</u>

Comparatives for movement in funds

	At 1/4/21	Net movement in funds	At 31/3/22
	£	£	£
Unrestricted funds			
General fund	4,768,684	105,651	4,874,335
Restricted funds			
Religious Celebrations	454	(210)	244
TOTAL FUNDS	<u>4,769,138</u>	<u>105,441</u>	<u>4,874,579</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	641,998	(536,347)	105,651
Restricted funds			
Religious Celebrations	-	(210)	(210)
TOTAL FUNDS	<u>641,998</u>	<u>(536,557)</u>	<u>105,441</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General fund	4,768,684	282,852	5,051,536
Restricted funds			
Religious Celebrations	454	(270)	184
TOTAL FUNDS	<u>4,769,138</u>	<u>282,582</u>	<u>5,051,720</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,409,431	(1,126,579)	282,852
Restricted funds			
Religious Celebrations	-	(270)	(270)
TOTAL FUNDS	<u>1,409,431</u>	<u>(1,126,849)</u>	<u>282,582</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,877 (2022 - £6,999).

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023 other than the following.

A room located at 6 Rose Hill is currently being used on a rent free and service charge free basis by An-Noor Nursery. In return for this, the nursery provides a free drop-off facility for the under five children of both members and non-members attending prayers. In addition, the nursery provides Islamic education to children of the members and local community that furthers one of the main objectives of the charity which is Islamic education. This arrangement was authorised by the 2008 management committee. Some of the current trustees are involved in the management of the nursery. The estimated market value of rent and service charge is £600 per month. However, the charity receives an invaluable free benefit in the form of a drop off facility for children under five while their parents attend prayers.

DERBY JAMIA MOSQUE

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	31/3/23 £	31/3/22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - Members	285,383	198,935
Donations - Non-Members	298,665	312,214
Donated services and facilities	<u>-</u>	<u>500</u>
	584,048	511,649
Charitable activities		
Tuition fees	182,385	108,413
Other income		
Government grants - Job Retention Scheme and COVID	-	21,936
Advertising income	<u>1,000</u>	<u>-</u>
	<u>1,000</u>	<u>21,936</u>
Total incoming resources	767,433	641,998
EXPENDITURE		
Charitable activities		
Books	1,441	3,340
Taraveeh prayers	<u>1,000</u>	<u>-</u>
	2,441	3,340
Support costs		
Finance		
Bank charges	60	60
Other		
Wages and salaries	353,729	359,546
Social security	8,920	3,098
Pensions	6,877	6,999
Rates and water	27,545	9,826
Insurance	5,605	4,739
Light, heat and power	37,616	46,082
Telephone	1,396	800
Printing, postage and stationery	6,665	6,196
Repairs and maintenance	74,463	37,958
Cleaning	1,647	752
IT costs and maintenance	1,224	350
Depreciation of freehold property	49,582	49,023
Depreciation of fixtures and fittings	<u>7,172</u>	<u>6,773</u>
	582,441	532,142
Governance costs		
Auditors' remuneration	4,250	4,000
Legal and professional fees	<u>1,100</u>	<u>(2,985)</u>
	5,350	1,015

This page does not form part of the statutory financial statements

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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	31/3/23	31/3/22
	<u>£</u>	<u>£</u>
Total resources expended	<u>590,292</u>	<u>536,557</u>
Net income	<u><u>177,141</u></u>	<u><u>105,441</u></u>