Charity registration number: 700817

Masjid E Tauheedul Islam

Trustees' Report and Audited Accounts

31 December 2025

Masjid E Tauheedul Islam
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Masjid E Tauheedul Islam
Trustees Annual Report
for the year ended 31 December 2025

The trustees present their report with the audited financial statements of the charity for the year ended 31 December 2025.

REFERENCE AND ADMINISTRATIVE

Charity registration number: 700817

Principle office
31 Biknell street
Blackburn
Lancashire
BB1 7EY

Trustees
The following trustees served during the year:

Mr Lookman Yusuf (Chair)
Mr Sheriyaar Natha
Mr Iqbal Adam Ali- Treasurer
Mr Shoaib Patel
Mr Rayyan Salim Patel
Mr Sajid Yusuf
Mr Imtiaz Ahmed- Secretary
Mr Usman Matadar
Mr Sufyan Mohmed (Resigned 9th March 25)
Mr Farhan Shikora (Resigned 9th March 25)
Mr Hanif Yusuf Ali (Resigned 9th March 25)
Mr Sajid Bohra (Resigned 9th March 25)
Mr Imran Adam Patel (Resigned 9th March 25)
Mr Eliyas Adam (Resigned 9th March 25)
Mr Saeed Ougradar (Resigned 9th March 25)

Auditors
Xaviers Accountants Limited
Suite 3J, Recycling Lives Centre
1a Essex Street
Preston
PR1 1QE

Accountants
M.A.I (Accountants) Limited
7 St Andrews Street
Blackburn
BB1 8AE

Bankers
Natwest Bank
35 King William Street
Blackburn
BB1 7DL

Masjid E Tauheedul Islam
Trustees' annual report
for the year ended 31 December 2025

Charity registration number: 700817

The Annual Report is fully SORP compliant and sets out how the trustees have met their obligations.

The Financial Statement is fully SORP compliant and includes the incoming resources and resources expended.

OBJECTIVES AND ACTIVITIES

Masjid-e-Tauheedul Islam exists to serve the religious, educational, and social needs of the Muslim community in Blackburn. Its objects, as defined in the constitution, are:

- The advancement of the Islamic faith in accordance with the Qur'an and Sunnah.
- The provision and maintenance of a mosque for public worship.
- The advancement of education through structured programmes for children, youth, and adults.
- The promotion of cohesion, dialogue, and mutual understanding.

Public Benefit

The trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit when planning and delivering activities. The work of the mosque benefits the whole community by providing spiritual guidance, education, welfare support, and opportunities for constructive engagement.

ACHIEVEMENTS AND PERFORMANCE

In spite of wider economic and social challenges, 2025 was a year of stability and growth for the charity. The mosque continued to be a focal point of religious life and a hub for education and community support.

Worship and Spiritual Services

- Daily prayers were maintained throughout the year.
- Friday Jumu'ah services attracted large congregations, often reaching capacity.
- Eid al-Fitr and Eid al-Adha prayers united the community, with thousands attending.
- Sermons and lectures covered religious teachings as well as practical issues such as wellbeing, family life, and community responsibility.

Ramadan and Special Programmes

- Nightly taraweeh prayers were led by qualified reciters.
- Daily iftar meals, organised with community support, welcomed hundreds of participants.
- Special Qur'an khatam events, youth sessions, and women's gatherings enriched the spiritual experience of the month.

Education and Learning

- The madrassah provided Qur'an and Islamic studies for children and young people, with an emphasis on tajweed, hifz, and values-based learning.
- Teacher training sessions reinforced safeguarding and improved teaching standards.
- Adult education programmes grew, with daily tafsir, fiqh, and seerah classes.
- Short courses on health, financial management, and parenting offered practical support.
- Holiday programmes combined learning with sports and personal development, particularly for youth.

Welfare and Charitable Relief

- Welfare volunteers offered guidance and referrals to additional support services.

Volunteers and Donors

The trustees extend their gratitude to volunteers for their tireless contributions in teaching, security, cleaning, administration, and event delivery. The trustees also thank donors for their continued generosity, which forms the foundation of all activities.

FINANCIAL REVIEW

Income
The charity's income in 2025 was generated from:
- Registered member contributions.
- Regular and one-off donations from the congregation.
- Fundraising appeals, particularly during Ramadan.
- Madrassah parent contributions and educational contributions.

Expenditure
The charity's expenditure covered:
- Mosque services and building maintenance.
- Educational programmes, including salaries, resources, and safeguarding.
- Welfare initiatives and charitable distributions.
- Governance, administration, and compliance costs.

Reserves Policy
The trustees aim to hold unrestricted reserves sufficient to cover at least three months of core expenditure. At year-end, reserves were at an appropriate level to meet this policy, providing security against financial uncertainties.

Investment Policy
Surplus funds not required for immediate use are held in charity bank accounts. The trustees review investment options annually but prioritise security and liquidity over higher returns.

Risk Management
Key risks identified during the year included:
- Financial sustainability amid rising costs.
- Safeguarding risks relating to children and vulnerable adults.
- Health and safety within the premises.
- Reputational risks from external perceptions.

Risk management measures included detailed financial monitoring, safeguarding audits, health and safety checks, and transparent communication with stakeholders. Monthly accounts are prepared and reconciled. Trustees are satisfied these measures are effective.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Masjid E Tauheedul Islam (MTI) is registered as a Charity with The Charity Commission under charity no: 700817. It is governed by constitution dated 22nd May 1988.

The day to day management of the Masjid's affairs is the responsibility of the elected voluntary Executive Committee. Their duties include:
- Setting and monitoring strategic objectives.
- Overseeing financial management and approving budgets.
- Safeguarding the reputation of the charity.
- Ensuring compliance with all regulatory requirements.
- Monitoring performance and community impact.

Trustee Recruitment and Appointment
Trustees elected on 28th October are elected as per the constitution. Appointments are made with consideration of skills, integrity, and community representation. Eligibility checks are carried out to ensure compliance with charity law and safeguarding requirements.

Trustee Induction and Development
New trustees undergo induction covering:
- Legal and financial duties.
- Governance processes.

Management and Operations
Operational delivery is delegated to staff, teachers, and volunteers, overseen by trustees. Trustees meet monthly, with additional meetings as required. Agenda items typically include:

- Review of finances and budgets.
- Progress against strategic objectives.
- Safeguarding updates.
- Risk assessments and compliance reports.
- Community feedback and service evaluation.

Sub-committees and working groups may be established for education, facilities, or fundraising, reporting back to the full board.

Policies and Internal Controls
The charity operates a comprehensive policy framework, including:
- Finance policy for authorisation and reserves management.
- Safeguarding policy with DBS checks and training.
- Health and safety policy with regular inspections and emergency planning.
- Conflict of interest policy requiring declarations and withdrawal from relevant decisions.
- Complaints and whistleblowing policy to ensure accountability and transparency.

Policies are reviewed regularly and updated to reflect best practice and statutory requirements.

Compliance and Oversight
The trustees ensure:
- Annual reports and accounts are filed with the Charity Commission on time.
- Financial records are independently examined.
- Safeguarding, GDPR, and health and safety compliance are maintained.
- Activities and reporting meet the public benefit requirement.

Volunteers
There are approximately 15 volunteers who make a positive contribution to various aspects of the community life in the area. All volunteers working with children are trained and vetted through appropriate checks. Other volunteers bring their skills to areas of cleaning on a daily and weekly basis, repairs and maintenance, community support, management of events. The funeral team supports the bereaved in the community by taking over the funeral arrangements. The organization benefits from approximately 50 hours of volunteer service per week, provided by around 12 regular volunteers.

We would like to thank all our volunteers by helping us deliver our activities and bring a diverse range of skills to achieve our objectives for preparing for the life in the Hereafter and supporting to improve life in this world.

PLAN FOR THE FUTURE

The trustees have set out priorities for 2026 and beyond, including:

1. Expansion of Educational programmes – increase madrassah capacity, enhance teaching resources, and invest in digital learning tools.
2. Improvement of Facilities – modernise prayer areas, classrooms, and community spaces, with attention to accessibility and sustainability.
3. Youth Engagement – strengthen leadership programmes, expand recreational activities, and create more volunteering opportunities.
4. Community Outreach – deepen interfaith partnerships, host additional open mosque events, and develop civic engagement initiatives.
5. Governance Development – diversify trustee skills, strengthen succession planning, and maintain high standards of transparency and accountability.

Statement of trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

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 these financial statements, the trustees are required to:

-select suitable accounting policies and then apply them consistently;

-observe the methods and principles in the applicable Charities SORP;

-make judgments and accounting 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;

- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (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.

Statement of disclosure of information to auditor

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees and signed on its behalf by:

Mr Imtiaz Ahmed- Secretary
Trustee

Date: 29/10/2026

Masjid E Tauheedul Islam
Independent Auditor's Report to the Trustees of Masjid E Tauheedul Islam
Year ended 31 December 2025

Opinion

We have audited the financial statements of Masjid E Tauheedul Islam (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, statement of cashflows and the notes to the accounts, 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, including FRS 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 charity'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 Charities Act 2011.

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 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 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. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report .

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; or
• we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 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.

Auditor's 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 regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

• We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
• We inspected the minutes of meetings of those charged with governance.
• We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
• We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit.
• We reviewed any reports made to regulators.
• We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
• We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
• In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or noncompliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor’s report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Masjid E Tauheedul Islam
Independent Auditor's Report to the Trustees of Masjid E Tauheedul Islam

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.

Xaviers Accountants Limited (Statutory Auditor)
Chartered Certified Accountants & statutory auditor
Suite 3J
Recycling Lives Centre
1A Essex Street
Preston
PR1 1QE

Date: 29/10/2026

Xaviers Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Masjid E Tauheedul Islam
Statement of financial activities
for the year ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income	**3**				
Income and endowments from:					
Donations and legacies		152,622	-	152,622	129,737
Charitable activities		375,142	-	375,142	160,143
Investments		66,835	-	66,835	62,323
Other		1,638	-	1,638	2,715
Total		596,236	-	596,236	354,918
Expenditure	**4**				
Expenditure on:					
Charitable activities		(534,284)	-	(534,284)	(508,825)
Net gains on investments	**6**	130,000		130,000	75,000
Net income/(expenditure) for the year		191,952	-	191,952	(78,907)
Reconciliation of funds					
Total funds brought forward		2,310,171	3,338,863	5,649,034	5,727,941
Net income/(expenditure) for the year		191,952	-	191,952	(78,907)
Total funds carried forward		2,502,123	3,338,863	5,840,986	5,649,034

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

Masjid E Tauheedul Islam
Balance Sheet
At 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Fixed assets					
Tangible assets	**5**	746,153	3,338,863	4,085,016	4,093,999
Investments	**6**	1,635,000		1,635,000	1,505,000
		2,381,153	3,338,863	5,720,016	5,598,999
Current assets					
Cash at bank and in hand		170,781	-	170,781	74,595
		170,781	-	170,781	74,595
Creditors: amounts falling due within one year					
Trade creditors and accruals	**7**	(49,810)	-	(49,810)	(24,560)
Net current assets		120,970	-	120,970	50,035
Net assets		2,502,123	3,338,863	5,840,986	5,649,034
Funds of the Charity	**8**				
Unrestricted funds		1,809,553	-	1,809,553	1,747,601
Revaluation reserve		692,570	-	692,570	562,570
Endowment Waqaf funds		-	3,338,863	3,338,863	3,338,863
Total funds		2,502,123	3,338,863	5,840,986	5,649,034

-

Approved by the Board of Trustees and signed on its behalf by

Mr Iqbal Adam Ali
Trustee

Date: 29/10/2026

Masjid E Tauheedul Islam
Statement of cash flows
for the year ended 31 December 2025

Reconcilliation of net income/ (expenditure) to net cash flow from operating activities

	2025 £	2024 £
Net income as shown in the Statement of Financial Activities	191,952	(78,907)
Adjustments for:		
Depreciation	8,983	8,982
Investment income	(66,835)	(62,323)
Interest received	(968)	(2,115)
Revaluation gain	(130,000)	(75,000)
Increase / (decrease) in creditors	25,251	(13,036)
Net cash provided by operating activities	28,383	(222,399)
Cash flows from investing activities		
Interest received	968	2,115
Purchase of property, plant and equipment	-	-
Investment income	66,835	62,323
Net cash provided by investing activities	67,803	64,438
Change in cash and cash equivalents	96,186	(157,961)
Cash and cash equivalents at beginning of the year	74,595	232,556
Closing cash and cash equivalents	**170,781**	**74,595**

Masjid E Tauheedul Islam
Notes to the Accounts
for the year ended 31 December 2025

General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated The address of the principal office is 31 Biknell Street, Blackburn, Lancashire, BB1 7EY.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

1 Accounting policies

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Going concern

There are no material uncertainties about the charity's ability to continue .

2 Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the charity without further specified purpose and are available as general funds.

Restricted funds are funds available for use subject to restrictions imposed by the donor or through terms of an appeal. Restricted funds may be restricted income funds, which are spent at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity, or they may be endowment funds, where the assets are required to be invested, or retained for actual use, rather than

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Revaluation funds - These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the financial statements when receivable.
Gains/(losses) on revaluation of investment assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Expenditure
Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation
The charity is exempt from taxation on its charitable activities.

Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and at historic cost. Fixed assets that are part of the masjid complex including the maddresa building are not depreciated as they are considered a perpetual endowment with a useful life of more than 50 years.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Freeholding buildings	0%	
Fittings and equipment	5%	Straight line

The trustees are of the opinion that a depreciation charge for the Masjid buildings is not required as the buildings are maintained and the expenditure to maintain the buildings is reflected in the income and expenditure account. The buildings are also considered to have a useful life of more than 50 years, so any depreciation charge is considered immaterial.

Freehold investment property
Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Impairment of fixed assets
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date . Regular maintenance and inspection of the charity assets have not revealed any indicators that the assets were impaired.

Trade and other creditors
Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement

Pension costs
The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Income			
Income and endowments from:			
Donations and legacies	129,737	-	129,737
Charitable activities	160,143		160,143
Investments	62,323	-	62,323
Other	2,715	-	2,715
Total	354,918	-	354,918
Expenditure on:			
Charitable activities	(508,825)	-	(508,825)
Total	(508,825)	-	(508,825)
Net income/(expenditure) for the year	(153,907)	-	(153,907)
Net gains on investments	75,000		75,000
Net movement in funds	(78,907)	-	(78,907)
Reconciliation of funds			
Total funds brought forward	2,389,078	3,338,863	5,727,941
Total funds carried forward	2,310,171	3,338,863	5,649,034

3 Analysis of income	Unrestricted funds £	Restricted income funds £	2025 Total funds £	2024 Prior year £
Donations and legacies				
Donations	54,832	-	54,832	30,317
Member contributions	97,790	-	97,790	99,420
Madrassah income	375,142	-	375,142	160,143
Total	527,763	-	527,763	289,880
Income from investments				
Rental income	60,775	-	60,775	59,600
Solar electricity income	6,060	-	6,060	2,723
Total	66,835	-	66,835	62,323
Other				
Interest income	968	-	968	2,115
Other	670	-	670	600
Total	1,638	-	1,638	2,715
Total income	596,236	-	596,236	354,918

4 Analysis of expenditure	Unrestricted funds £	Restricted income funds £	2025 Total funds £	2024 Prior year £
Expenditure on charitable activities				
Wages and PAYE	405,350	-	405,350	313,190
Employee pension	3,788	-	3,788	3,659
Staff training cost	3,705	-	3,705	1,312
DBS checking fees	931	-	931	1,548
Educational resources	4,232	-	4,232	-
Examination expenses	12,221	-	12,221	15,780
Heat and light	48,011	-	48,011	62,351
Rates	2,515	-	2,515	3,069
Water charges	11,813	-	11,813	10,852
Cleaning and consumables	355	-	355	884
Insurance	2,343	-	2,343	2,005
Repairs and maintenance	4,477	-	4,477	13,370
Rental property repairs	3,473	-	3,473	3,037
Funeral car expenses	977	-	977	-
Equipment expensed	3,091	-	3,091	913
Depreciation	8,983	-	8,983	8,982
Security costs	-	-	-	2,994
Telephone and internet	1,937	-	1,937	1,033
Subscriptions and license	1,143	-	1,143	322
Stationery, postage and printing	3,879	-	3,879	3,053
Sundry expenses	294	-	294	145
Accountancy fees	1,700	-	1,700	1,300
Payroll fees	2,067	-	2,067	861
Legal and professional fees	-	-	-	53,366
Auditors remuneration	4,884	-	4,884	4,800
Interest disposal	2,115	-	2,115	-
Total	534,284	-	534,284	508,825
Total expenditure	534,284	-	534,284	508,825

Net gains on investments

	Unrestricted funds £	**Total funds 2025** £	Total funds 2024 £
Gains/(losses) on investment property	130,000	130,000	75,000

5 Land, buildings, equipment and fittings

	Buildings £	Fittings and equipment £	Total £
Cost			
At 1 January 2025	4,046,194	179,653	4,225,847
At 31 December 2025	4,046,194	179,653	4,225,847
Depreciation			
At 1 January 2025	-	131,848	131,848
Charge for the year	-	8,983	8,983
At 31 December 2025	-	140,831	140,831
Net book value			
At 31 December 2025	4,046,194	38,822	4,085,016
At 1 January 2025	4,046,194	47,805	4,093,999

6 Investments

	Investment Property £
Cost or revaluation	
At 1 January 2025	1,505,000
Additions	-
Fair value movements	130,000
At 31 December 2025	1,635,000
Impairment	
At 1 January 2025 and 31 December 2025	-
Carrying amount	
At 31 December 2025	1,635,000
At 31 December 2024	1,505,000

All investments shown above are held at valuation.
The investment properties have been revalued by the trustees in the past. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in its locations.
The historic cost of the investment properties was £942,430.

7 Creditors

	2025 £	2024 £
Trade creditors	7,808	12,863
Accruals	42,002	11,697
	49,810	24,560

8 Analysis of charitable funds

	Balance bfwd At 1 January 2025	Income	Expenditure	Gains and losses	At 31 December 2025
	£	£	£	£	£
Unrestricted funds:					
General funds	1,747,601	596,236	(534,284)	-	1,809,553
Revaluation reserve	562,570	-	-	130,000	692,570
Total funds	2,310,171	596,236	(534,284)	130,000	2,502,123

	At 1 January 2024				At 31 December 2024
General funds	1,901,508	354,918	(508,825)	-	1,747,601
Revaluation reserve	487,570	-	-	75,000	562,570
Total funds	2,389,078	354,918	(508,825)	75,000	2,310,171

Restricted funds:

	Balance bfwd At 1 January 2025	Income	Expenditure	Gains and losses	At 31 December 2025
Endowment funds	3,338,863	-	-	-	3,338,863

	At 1 January 2024				At 31 December 2024
Endowment funds	3,338,863	-	-	-	3,338,863

Purposes and restrictions in relation to the funds:
Revaluation reserves - Represent the amount by which the investment properties exceed their historical cost

Endowment funds - Endowment Waqaf funds as applied to mosque property is a religious endowment. The properties under Waqaf endowment are dedicated to Allah SWT for public benefit on a perpetual basis. Restricted Fixed Waqaf funds cannot be gifted, granted or disposed

9 Analysis of net assets between funds :

Current year

	Unrestricted funds	Restricted funds	Total funds 2025
	£	£	£
Tangible fixed assets	746,153	3,338,863	4,085,016
Investments	1,635,000	-	1,635,000
Current assets	170,781	-	170,781
Creditors less than 1 year	(49,810)	-	(49,810)
Net Assets	2,502,123	3,338,863	5,840,986

Prior year

	Unrestricted funds	Restricted funds	Total funds 2024
	£	£	£
Tangible fixed assets	755,136	3,338,863	4,093,999
Investments	1,505,000	-	1,505,000
Current assets	74,595	-	74,595
Creditors less than 1 year	(24,560)	-	(24,560)
Net Assets	2,310,171	3,338,863	5,649,034

10 Net income for the year

This is stated after charging:	2025 £	2024 £
Depreciation	8,983	8,982
Auditors remuneration	4,884	4,800

11 Transactions with trustees and related parties.

The trustees were not given any form of remuneration during the year in respect of their services (2024 - Nil). No expenses were reimbursed to the trustees as well (2024 - Nil).

12 Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025 £	2024 £
Salaries and wages	405,350	313,190
Pension costs	3,788	3,659
	409,138	316,850

No employee received emoluments of more than £60,000 in the year (2024-Nil)

	2025 Number	2024 Number
Average number of employees	76	44