Charity registration number: 702212

Muslim Federation in Cleveland

Annual Report and Financial Statements

for the Year Ended 31 December 2025

Muslim Federation in Cleveland

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Muslim Federation in Cleveland

Reference and Administrative Details

Trustees	Mr K Shokri, Chairman
	Mr A Hanif MBE, Vice Chairman
	Mr A Handulleh, Treasurer
	Mr A S H Saeed
	Mr O M Sharif
Charity Registration Number	702212
Principal Office	12 Cannon Park Way Middlesbrough TS1 5JU
Independent Examiner	Mr A Blueitt

Muslim Federation in Cleveland

Trustees' Report

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

Objectives and activities

Public benefit

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.

Achievements and performance

The charity carries out a wide range of activities, both religious and not related to religion, that deliver public benefit in pursuance of its ongoing charitable aims. The trustees consider that these activities, previously mentioned, provide benefit to the wider community and do have regard to the Charities Commission's guidance on public benefit.

Financial review

The principal source of funding is through donations from the local community. These are used to meet its ongoing costs in furtherance of its objectives. The trustees consider the results of the charity during the year to be satisfactory. The reserves held at 31 December 2025 were £1,746,665 unrestricted reserves (2024 £1,534,824) and £154,896 restricted reserves (2024 £154,896). The charity holds sufficient reserves in order to meet its ongoing cost and future plans.

The charity is increasing reserves in order to fund the construction of a new Mosque. The trustees are currently seeking planning permission for construction.

Plans for future periods

Structure, governance and management

The Muslim Federation In Cleveland is a constituted charitable trust registered with the Charity Commission under charity number 702212 and operates within the framework of its governing document. It is governed by a constitution which was adopted on 2nd December 1989.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of the congregation and members of the charity. The trustees believe this approach ensures that good relations are fostered between the organisation and the people of the local community that we serve. In selecting new trustees, the existing trustees seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities. With the agreement of existing trustees the individual is then proposed as a new trustee at the subsequent trustees' meeting. This process allows for due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following appointment, new trustees are introduced to their new role and given copies of the charity's constitution and a guide to the policies and procedures adopted by the charity. A number of publications from the Charity Commission are also provided including guidance on charities and public benefit and on the advancement of religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project and reporting the progress at a trustees' meeting.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration of other financial benefits. The trustees meet together as a body, monthly and are responsible for all decisions taken in relation to running the charity.

Risk Management

The trustees have assessed the risks the charity faces and have drawn up a risk assessment which identifies the major risks by area of activity, nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review these risk assessments regularly at their meetings. The trustees are satisfied that systems are in place, or arrangements in hand, to manage the risks that have been identified. In particular, insurance cover is in place and the finances of the organisation are kept under the review.

Bank

The charity has banking facilities with the Virgin Money whose address is 7 Linthorpe Road, Middlesbrough, TS1 1RE

Objectives and activities

Aims:

Mosque and Prayer Facility for furtherance of Islam.
Educational Activities and Faith and Community Cohesion for Islam.
Facility for recreation and leisure.

The objectives are set to reflect our faith and community aims. Each year the trustees review the objectives and activities to ensure they continue to reflect the 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 dual aims remain to provide a facility where Muslims can worship and to provide a community facility for all of the communities in Middlesbrough and the surrounding towns. Our long term ambition is to build the self-confidence of Muslims in their faith, and through our community facilities and activities help to make our area a peaceful, vibrant and harmonious community.

Mosque and Prayer Facility for furtherance of Islam

We aim to provide a designated place of worship for Muslim residents of Middlesbrough and surrounding towns. These facilities will be for both males and females as well as children, the elderly and the disabled.

Education Activities and Faith and Community Cohesion for Islam

Seminars and courses are held in liaison with the local council and other organisations for Islamic education, community cohesion, fostering relations between different faiths and general safety (eg fire safety and traffic rules). Regular talks will be held on community and social and cultural issues to enable Muslim and other residents to support one another in their common goals of developing the communities. Seminars will be organised to provide resources for schools and the wider community, weekend sessions of tuition and help with school homework as well as advocacy and advice

Facilities for Recreation and Leisure

Healthy living campaigns have been initiated and poster, leaflets and booklets will be provided and coffee morning sessions will be organised. Some indoor sporting facilities are provided, arrangements are made for outdoor sporting trips as well as family day trips.

The annual report was approved by the trustees of the charity on 10 September 2026 and signed on its behalf by:

.....
Mr K Shokri
Trustee

Muslim Federation in Cleveland

Independent Examiner's Report to the trustees of Muslim Federation in Cleveland

I report to the trustees on my examination of the accounts of Muslim Federation in Cleveland for the year ended 31 December 2025.

Responsibilities and basis of report

As the charity trustees of Muslim Federation in Cleveland you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Muslim Federation in Cleveland 's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Muslim Federation in Cleveland as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Mr A Blueitt

10 September 2026

Muslim Federation in Cleveland

Statement of Financial Activities for the Year Ended 31 December 2025

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies		192,845	-	192,845
Investment income	3	37,811	-	37,811
Other income		8,019	-	8,019
Total income		238,675	-	238,675
Expenditure on:				
Raising funds		129,000	-	129,000
Charitable activities		(155,834)	-	(155,834)
Total expenditure		(26,834)	-	(26,834)
Net income		211,841	-	211,841
Net movement in funds		211,841	-	211,841
Reconciliation of funds				
Total funds brought forward		1,534,824	154,896	1,689,720
Total funds carried forward	11	1,746,665	154,896	1,901,561

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies		122,521	-	122,521
Investment income	3	40,887	-	40,887
Other income		8,824	-	8,824
Total income		172,232	-	172,232
Expenditure on:				
Charitable activities		(96,937)	-	(96,937)
Total expenditure		(96,937)	-	(96,937)
Net income		75,295	-	75,295
Net movement in funds		75,295	-	75,295
Reconciliation of funds				
Total funds brought forward		1,459,529	154,896	1,614,425
Total funds carried forward	11	1,534,824	154,896	1,689,720

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2025 is shown in note 11.

Muslim Federation in Cleveland

(Registration number: 702212)
Balance Sheet as at 31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	7	970,665	647,118
Investments	8	310,000	181,000
		1,280,665	828,118
Current assets			
Cash at bank and in hand	9	624,424	865,272
Creditors: Amounts falling due within one year	10	(3,528)	(3,670)
Net current assets		620,896	861,602
Net assets		1,901,561	1,689,720
Funds of the charity:			
Restricted income funds			
Restricted funds	11	154,896	154,896
Unrestricted income funds			
Unrestricted funds		1,746,665	1,534,824
Total funds	11	1,901,561	1,689,720

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 10 September 2026 and signed on their behalf by:

.....
Mr K Shokri
Trustee

1 Accounting policies

Statement of compliance
The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation
Muslim Federation in Cleveland meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

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.

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.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less amy 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
Fixtures and Fittings	15% reducing balance

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	192,845	192,845
Total for 2025	192,845	192,845
Total for 2024	122,521	122,521

3 Investment income

	Unrestricted funds		Total funds
	General £	Other £	£
Interest receivable and similar income;			
Interest receivable on bank deposits	16,611	-	16,611
Income from rents	21,200	-	21,200
Total for 2025	37,811	-	37,811
Total for 2024	41,612	(725)	40,887

4 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Allocated support costs		153,194	153,194
Governance costs		2,640	2,640
Total for 2025		155,834	155,834
Total for 2024		96,937	96,937

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Allocated support costs	2,640	2,640
Total for 2025	2,640	2,640
Total for 2024	2,526	2,526

6 Staff costs

The average number of persons employed by the charity during the year was 3 (2024 3)

No employee received emoluments of more than £60,000 during the year

7 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2025	634,652	59,052	693,704
Additions	325,417	-	325,417
At 31 December 2025	960,069	59,052	1,019,121
Depreciation			
At 1 January 2025	-	46,586	46,586
Charge for the year	-	1,870	1,870
At 31 December 2025	-	48,456	48,456
Net book value			
At 31 December 2025	960,069	10,596	970,665
At 31 December 2024	634,652	12,466	647,118

8 Investment properties

	2025 £	2024 £
Investment properties	310,000	181,000

Investment properties

	Investment properties £	Total £
Cost or Valuation		
At 1 January 2025	181,000	181,000
Revaluation	129,000	129,000
At 31 December 2025	310,000	310,000
Net book value		
At 31 December 2025	310,000	310,000
At 31 December 2024	181,000	181,000

All investments shown above are held at valuation.

Investment properties have been valued at open market value by the trustees who hold no professional qualifications. The trustees are not employed by the charity. This valuation is based on their knowledge of similar properties in the local area.

9 Cash and cash equivalents

	2025 £	2024 £
Cash at bank	624,424	865,272

10 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	1,398	1,339
Other creditors	-	1
Accruals	2,130	2,330
	3,528	3,670

11 Funds

	Balance at 1 January 2025 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2025 £
Unrestricted funds					
General					
General	1,534,824	238,675	(155,834)	-	1,617,665
Revaluation Reserve	-	-	-	129,000	129,000
	1,534,824	238,675	(155,834)	129,000	1,746,665
Restricted funds					
Building Fund	154,896	-	-	-	154,896
Total funds	1,689,720	238,675	(155,834)	129,000	1,901,561

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
Unrestricted funds				
General				
General	1,459,529	172,232	(96,937)	1,534,824
Restricted				
Building Fund	154,896	-	-	154,896
Total funds	1,614,425	172,232	(96,937)	1,689,720

12 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2025 £
Tangible fixed assets	970,655	-	970,655
Fixed asset investments	310,000	-	310,000
Current assets	469,528	154,896	624,424
Current liabilities	(3,528)	-	(3,528)
Total net assets	1,746,655	154,896	1,901,551

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £ (As restated)
Tangible fixed assets	647,118	-	647,118
Fixed asset investments	181,000	-	181,000
Current assets	710,376	154,896	865,272
Current liabilities	(3,670)	-	(3,670)
Total net assets	1,534,824	154,896	1,689,720

13 Analysis of net funds

	At 1 January 2025 £	Movement £	At 31 December 2025 £
Cash at bank and in hand	865,272	(240,848)	624,424
Net debt	865,272	(240,848)	624,424

	At 1 January 2024 £	Movement £	At 31 December 2024 £
Cash at bank and in hand	785,297	79,975	865,272
Net debt	785,297	79,975	865,272