

**IBAD-UR-RAHMAN TRUST**  
**TRUSTEES REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

DTE Business Advisers Limited  
Chartered Accountants  
Registered Auditors  
The Exchange  
5 Bank Street  
Bury  
Lancashire  
BL9 0DN

**IBAD-UR-RAHMAN TRUST**

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**FOR THE YEAR ENDED 31 MARCH 2016**

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**IBAD-UR-RAHMAN TRUST**

**GENERAL INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**TRUSTEES:** Dr A Ali  
Q Azmi  
K Hussain  
I Hanif  
M A Majid

**CHARITY REGISTER NO.** 512616

**ADDRESS:** 28 Ardern Road  
Crumpsall  
Manchester  
M8 4FB

**AUDITORS:** DTE Business Advisers Limited  
Chartered Accountants  
Registered Auditors  
The Exchange  
5 Bank Street  
Bury  
BL9 0DN

**BANKERS:** United National Bank  
40 Bury Old Road  
Manchester  
M8 5EL

## IBAD-UR RAHMAN TRUST

### Trustees Report

The trustees present the report and accounts of the Ibad-Ur-Rahman Trust for the year ended 31 March 2016.

The trust was a registered charity on 24 May 1982 and its charity registration is 512616.

### Structure, Governance and Management.

The charity is governed by a trust deed dated 8 March 1982, amended 14 September 2012.

### Trustees and Organisational Structure

The original trust deed allows for a maximum of 5 trustees. After the death of one of the original trustees, Haji Mohammed Sadiq, a new trustee, Haji Mohammed Wazir, was appointed.

The trustees from 1983 to 2009 were as follows:

- Dr Amanat Ali
- Dr Bashir Ahmad
- Haji Mohammed Shafi
- Haji Mohammed Wazir

Following the death of Haji Mohammed Wazir in January 2009 and Dr Bashir Ahmad in July 2009, new trustees had been appointed.

At the date of the signing of this report the trustees are:-

- Dr Amanat Ali
- Khadim Hussain
- Qamaruzzaman Azmi
- Irfan Hanif
- Mahmood A Majid

The powers and duties of the trustees are clearly outlined in the trust deed. The trust is based at North Manchester Jamia Mosque, 3 Woodlands Rd, Cheetham Hill, Manchester, M8 7LF.

The trust now has 2 full time employees (Chief Imam and an office administrator\caretaker), 3 part time Assistant Imams, 20 part time teachers of Islamic Studies, Arabic and Urdu.

The trust has set up a management committee of 31 members to help with organisational tasks. This management committee is divided into sub-committees, namely:

- Religious Affairs
- Finance/Accounts
- Education/Sports/Leisure
- Building Maintenance/Security
- Cultural/festival/catering

These sub-committees have clearly defined roles and responsibilities and their activities are closely monitored by the trustees. Each sub-committee is headed by one of the trustees. Decisions need to be ratified by the trustees.

### Trustees' responsibilities

The trust deed requires that the trustees keep proper books of account and records showing all receipts and payments and containing all such records as may be appropriate to the running of the trust. In addition, trustees must:

## IBAD-UR RAHMAN TRUST

### Trustees Report - continued

- select suitable accounting policies and apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- follow applicable accounting standards disclosing any disparities in the accounts, and prepare the accounts on a going concern basis unless it is inappropriate to assume that the trust will continue to operate.

The trustees have also complied with their duties under section 4 of the Charities Act 2011 to have due regard to the public benefit requirement.

### 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 of the wider community. The trustees believe this approach ensures that new trustees are respected members of the faith and local communities and ensures that good relations are fostered between the Mosque and the people of the local community served.

In selecting new trustees, the trustees seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our 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 and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows 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 Trust Deed and advised of the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided, including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. 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, reporting progress at trustees' meetings.

### Risk Management

In line with the requirement for trustees to undertake a risk assessment exercise and identify key risks the trust faces in England and Wales. The trustees have reviewed the measures in place, or needing to put in place, to deal with these risks. There are three main areas of risk that has been identified by the trustees.

- Governance and management
- Operational
- Reputational

**Governance and management** - this looks at the risks of the charity arising from lack of direction, at the skills and training of its members and staff, and the good use of its resources.

The powers and duties of the trustees are clearly set out in the trust deed. The management committee members help with the organisational tasks and their role and responsibilities are closely monitored by the trustees. The extension of the building to cater for funeral facilities and building of a car park are one of many steps undertaken to reflect good use of resources.

**Operational** - this looks at the risks inherent in the charity's activities including the process of collecting donations, the unsuitability of buildings, poor maintenance, short-comings in the services provided, poor health and safety, lack of a disaster recovery policy etc.

Donations collected during the week are kept in a secured 'safe' and banked promptly by designated trustee. A separate record is made for any donations collected for a specific purpose and maintained by a designated trustee.

## IBAD-UR RAHMAN TRUST

### Trustees Report - continued

There are security alarms, fire alarms and a CCTV system in place within and around the mosque to ensure maximum safety and security of the property, personnel and congregation on a continuous basis.

**Reputational** – this looks at possible damage to the charity’s reputation that can arise from mis-use of donated income, recruitment of non qualified Imams or lecturers etc.

Having a formal recruitment process in place will ensure that quality of service is maintained by the charity.

### Objectives and Activities to be undertaken for the public benefit

The Trust was established for the benefit of the public in Manchester. The main objectives of the Trust are:

- To establish a mosque to provide a place of worship for the Muslim population of Manchester and surrounding areas.
- To establish an education centre to provide Islamic teachings to children and adults.
- To establish an information and research centre for the study and dissemination of Muslim thought.
- To assist Muslims in arranging marriage and funeral ceremonies in accordance with Islamic law and the law of the land.

### Voluntary help and gifts in kind

The Trustees are very grateful to the users of the mosque who give voluntary donations to further the aims of the Trust. All the money collected by the Trust arises from the weekly collection after Friday Juma Prayer and collection on special occasions such as Ramadan and Eid.

### Activities, Achievements and Performance

The activities of the Trust include:

- Providing a place of worship for the five daily congregational prayers, weekly Friday Juma Prayer, Eid Prayer, Ramadan Prayers and other Holy periods.
- Providing a supplementary school for the education of children and adults in Islamic Studies, Quranic Studies, Arabic language and Urdu language.
- Carry out marriage, funeral and other services in accordance with Islamic traditions.
- Providing a mortuary where the body of the deceased can be kept in accordance with Islamic law.
- Providing a ritual washing facility where the body of the deceased can be prepared for burial in accordance with Islamic law.
- Providing help and advice for families of the deceased.
- Providing sporting and recreational activities for the young people who use the mosque.
- Providing holiday play schemes for local children.
- Collecting donations of food, clothing and money for charitable acts such as the Pakistan Earthquake Appeal.
- Collecting donations for the upkeep and running of the mosque and its activities.
- Engendering good relationships with members of other faith communities.

## **IBAD-UR RAHMAN TRUST**

### **Trustees Report - continued**

The main achievements of Trust are:

- Raising money for the purchase of land to build a mosque.
- Building the main mosque hall, ladies hall, classrooms and ablution areas.
- Extension to the mosque to include a second prayer hall and funeral facilities.
- Second extension of a second building housing the third prayer hall, communal cooking area and school.
- Buying land and establishing a car park for users of the mosque to alleviate parking congestion in the area surrounding the mosque.
- Recruiting and retaining staff to run the mosque and further the aims of the Trust.
- Establishing a mortuary for the Muslim community in accordance to Islamic law.
- Providing good quality education for the local children.
- Catering for the religious and cultural needs of the Muslim community.
- Developing a harmonious relationship with members of other faith communities.
- Developing a caring community that is able to respond positively to disasters and charitable needs of people throughout the world.
- Collecting donations of food, clothing and money for charitable acts such as the Pakistan Earthquake Appeal and the Asian Tsunami Appeal.
- Raising money for the reconstruction of the Mosque.

### **Grant making policy**

The trustees consider grant making an effective means of delivering aid using local charities. Such charities have experience, access to facilities, expertise, staff and other resources which will make them better placed to deliver aid in a more effective manner.

Examples of where aid has been delivered in this manner include, Tsunami affected areas, South Asian Earthquake areas and other natural disaster areas as well as those areas where poverty exists. This has been delivered via established and recognised charities such as, Muslim Hands, Islamic Relief and the World Islamic Mission Welfare Trust.

### **New Activities Started or Built Upon in 2016**

#### **Sisters Study Circle at North Manchester Jamia Masjid**

The Sisters Study Circle (SSC) is brought about by the need for structured activities for women and children in the local Muslim community of Cheetham Hill.

The SSC first started meeting in February 2009 on a Saturday morning in the North Manchester Jamia Masjid (NMJM) and since then they have continued to gather weekly to:

- ensure the well being of Muslim women and children in the community
- to refresh knowledge and learn more about our faith
- to assist each other in developing self-confidence and self-respect
- to enable each other to deal with issues faced by Muslim women

## **IBAD-UR RAHMAN TRUST**

### **Trustees Report – continued**

- to share experiences
- Parenting course held for local parents.

The study circle starts with the recitation of a verse from the Holy Quran and then moves on to a short story aimed at the younger children. This is followed by a talk on a topic of interest by one of the sisters, and at the end all sisters are invited to discuss, offer their opinions and ask questions. Programme is ended by sisters joining together to recite Nasheed, Dhikr and Salaam.

The SSC has also organised programmes for the wider community such as annual Eid Milaad-un-Nabi (Birthday of the Prophet Mohammad Peace be upon him) programmes and Eid parties which are very successful.

Annually the Eid Milaad-un-Nabi programme is attended by over 700 women. Nasheeds are recited by children who study at the Mosque's evening school and by the SSC sisters. Inspiring speeches are given by invited guests and food is provided at the end of the programme.

SSC also hold fundraising Eid Parties. All the money raised is donated to the Mosque Redevelopment Project fund. The event includes a bouncy castle and games and activities for children and hot food and snacks available throughout the day at the numerous food stalls. There are stalls, selling arts and crafts, jewellery, shawls and scarves, bags and shoes, books and CDs and much more. An auction of donated items generously provided by local businesses and individuals is also held towards the end of the programme. The SSC raised several thousand pounds for the Trust during this financial year.

We hope to continue with these events in forthcoming years as well as arranging events such as picnic-in-the-park and day trips to local places of interest such as seaside resorts and amusement parks. In addition to holding Eid prayers in the Mosque, prayers were said in a local park (Heaton Park, Manchester).

### **Supplementary School**

The Supplementary School has grown from strength to strength. We now have over 350 children who attend classes in Islamic studies, Quranic studies and modern foreign languages such as Urdu and Arabic. They attend the school from 5.00pm to 7.00pm each weekday. A new uniform has been introduced to give the children a sense of pride and belonging.

20 part time teachers have been employed to teach the children. Regular training is provided to the teachers by our Iman and they have also attended safe-guarding training provided by the Local Authority.

### **Financial Review**

Results for the year:

- During 2016 total incoming resources amounted to £545,533. Of this income £525,349 was received by way of donations, with £293,920 classified as restricted funds being donated specifically in response to an appeal for the development of the Mosque, Zakat and specific fundraising. The balance is unrestricted and undesignated. Other income relates to bank interest receivable which totaled £20,184.
- Resources expended totaled £304,922 compared to £203,454 in 2015.
- Net resources for the year were £304,046.



## IBAD-UR RAHMAN TRUST

### Trustees Report - continued

Reserves policy and financial policy:

- The trustees have examined the need for free reserves i.e. those unrestricted not invested in tangible assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work and its commitment, the level of free reserves should be such as will enable the charity to meet its commitments for the foreseeable future.
- The balance sheet shows total reserves of £4,671,565. Of this, £1,762,691 is represented by unrestricted fund which is for the support of the charity objects.

### Plans for the future

The trustees plan to:

- Continue to meet the needs of the growing Muslim community by offering services that are identified by the community.
- Review the management structure of the Trust to bring in new expertise.
- Create a link between the annex building and the main building to provide more space for larger congregations
- Build retail or office premises on land owned by the trust. Rental income from the premises will be a regular source of income for the trust.
- A second floor has been added to the Annex Building in preparation for the re-development of the Main Mosque Building. This has increased the capacity of this building to over 1,000 worshippers. During the reconstruction of the main Mosque building, two congregational prayers will be held on Fridays.
- Planning permission has been granted for the demolition of the original Mosque building and rebuilding of a larger Mosque. The work started in the demolition and rebuilding of the Mosque in October 2015 and will be completed in approximately 24 months.
- Negotiations are on-going with Manchester City Council to purchase a plot of land close to the Mosque on Humphrey Street to build a purpose built Mortuary and Chapel of Rest for the local Muslim community.
- Possible purchase of Leasehold and Probation Office Building.

### Statement as to disclosure of information to Auditors

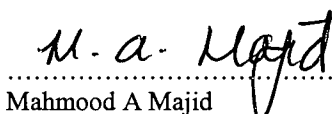
So far as the trustees are aware, there is no relevant information of which the charity's auditors are unaware and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the auditors are aware of the information.

### Auditors

The auditors, DTE Business Advisers Limited, will be proposed for re-appointment.

Approved on 3/2/17 and signed by:

  
.....  
Irfan Hanif

  
.....  
Mahmood A Majid

## **INDEPENDENT AUDITOR'S TO THE TRUSTEES OF IBAD UR RAHMAN TRUST**

We have audited the financial statements of Ibad Ur Rahman Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (Financial Reporting Standards for Smaller Entities (2015)).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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.

### **Respective responsibilities of trustees and auditors**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standards for Smaller Entities (2015)).

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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standards for Smaller Entities (2015); and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.



DTE Business Advisers Limited  
Chartered Accountants  
Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
The Exchange  
5 Bank Street  
Bury  
Lancashire BL9 0DN

Date 7 FEBRUARY.....2017

**IBAD-UR-RAHMAN TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted Funds £	Restricted Funds £	2016 Total Fund £	2015 Total Fund £
<b>INCOMING RESOURCES</b>					
Donations	2	231,429	293,920	525,349	370,443
<b>Other Income</b>					
Deposit Account Interest	3	20,184	-	20,184	11,745
		251,613	293,920	545,533	382,188
<b>RESOURCES EXPENDED</b>					
<b>Charitable Activities</b>					
Wages		144,135	-	144,135	124,254
Social security		7,184	-	7,184	4,008
Rates and water		1,999	-	1,999	4,504
Insurance		3,999	-	3,999	408
Light and heat		1,526	-	1,526	29,162
Telephone		611	-	611	617
Advertising		150	-	150	176
Travelling		350	-	350	580
Repairs and renewals		5,893	-	5,893	2,898
Stationery and teaching materials		157	-	157	1,632
Donations		3,458	14,590	18,048	11,610
Sundry expenses		1,004	-	1,004	2,112
Guest speakers and Naat		5,838	-	5,838	7,330
Sports activities		2,680	-	2,680	3,550
Catering		4,324	-	4,324	5,959
Fixtures and fittings depreciation		964	-	964	95
Land and buildings depreciation		97,696	-	97,696	-
Legal and professional		549	-	549	-
<b>Governance Costs</b>					
Accountancy		4,815	-	4,815	1,558
Audit fees		3,000	-	3,000	3,000
		290,332	14,590	304,922	203,454
<b>Total Expenditure</b>					
<b>Net Resources for the Year</b>		(38,719)	279,330	240,611	178,734

**Continuing Operations**

All activities derive from continuing operations.

**IBAD-UR-RAHMAN TRUST**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31 MARCH 2016**

	<b>Unrestricted Funds 2016 £</b>	<b>Restricted Funds 2016 £</b>	<b>Total Fund 2016 £</b>	<b>Total Fund 2015 £</b>
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR</b>	<b>(38,719)</b>	279,330	240,611	178,734
Release of revaluation reserve against depreciation	63,435	-	63,435	-
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b><u>24,716</u></b>	<b><u>279,330</u></b>	<b><u>304,046</u></b>	<b><u>178,734</u></b>

**IBAD-UR-RAHMAN TRUST**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Notes	Unrestricted Funds £	Restricted Funds £	2016 Total Fund £	2015 Total Fund £
<b>FIXED ASSETS</b>					
Tangible assets	6	<u>2,306,161</u>	<u>605,477</u>	<u>2,911,638</u>	<u>2,648,666</u>
<b>CURRENT ASSETS</b>					
Cash at bank		1,139,814	647,830	<b>1,787,664</b>	1,780,062
Prepayments		<u>8,838</u>	<u>-</u>	<u>8,838</u>	<u>37,050</u>
		<u>1,148,672</u>	<u>647,830</u>	<u>1,796,502</u>	<u>1,817,112</u>
<b>CURRENT LIABILITIES</b>					
Accrued expenses		<u>(35,255)</u>	<u>(1,320)</u>	<u>(36,575)</u>	<u>(34,824)</u>
<b>NET CURRENT ASSETS</b>		<u>1,113,417</u>	<u>646,510</u>	<u>1,759,927</u>	<u>1,782,288</u>
<b>NET ASSETS</b>		<u>3,419,578</u>	<u>1,251,987</u>	<u>4,671,565</u>	<u>4,430,954</u>

**THE FUNDS OF THE CHARITY**

**RESERVES**

Revaluation reserve	7			<b>1,656,887</b>	1,720,322
Restricted funds				<b>1,251,987</b>	972,657
Unrestricted funds				<b>1,762,691</b>	1,737,975
				<u>4,671,565</u>	<u>4,430,954</u>

These financial statements have been prepared in accordance with the Statement of Recommended Practice for Charity Accounts and relevant accounting standards.

Approved by the Board of Trustees on 3/2/..... 2017 and signed on its behalf.

  
Irfan Hanif

## IBAD-UR-RAHMAN TRUST

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Trust's operations are described in the Trustees' Report and all are continuing.

##### 1.2 Land and Buildings:

Land and buildings are owned by the trust and are used directly for the trust's purposes. The property has been valued by external valuers (see note 2) and are included in the accounts at market value.

##### 1.3 Tangible Fixed Assets:

Tangible fixed assets for use by the trust are valued at either insurance value, cost or valuation as follows:-

Land and Buildings - At valuation (The valuation is conditional upon the continued use of the property as a Mosque. If during a period of 80 years from the date of transfer in 1995 by the Council of the City of Manchester to the trustees, the building ceased to be used as a Mosque then the council may re-purchase the land and buildings at a discounted value).

The trust has adopted a policy of revaluation on freehold property in accordance with Financial Reporting Standard for Smaller Entities (2015). The carrying amount of the freehold property is its current value at the balance sheet date. A full valuation is performed every 5 years by a qualified valuer. Interim valuations are performed by the trustees' unless it is likely that there has been a material change in value to the property.

Fixtures and Fittings - Cost

Expenditure on minor items of fixtures and fittings, which are individually immaterial, is charged to the profit and loss account when it is incurred.

Depreciation is provided on assets in order to write off their cost or valuation, less their estimated residual value, over their expected useful lives on the following rates:-

Land to be developed	Nil
Land and buildings	4% on valuation
Fixtures, fittings and computer equipment	25% on straight line

Historically there has been no charge for depreciation of the land and buildings as in the opinion of the trustees the depreciable amount was not material. However, given the demolition and current rebuilding of part of the property it has been decided to commence depreciation of the existing building over a 25 year period.

The property currently under construction will not be depreciated until construction is complete.

##### 1.4 Voluntary Income

Voluntary income and donations are accounted for on the receipts basis by the trust.

##### 1.5 Reserves

Reserves are split into Restricted funds, Unrestricted designated funds and Unrestricted funds as follows:-

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

**IBAD-UR-RAHMAN TRUST**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**CONTINUED**

Unrestricted designated funds - are funds set aside at the discretion of the trustees for specific purposes.

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

**1.6 Resources expended**

Expenditure is recognised when a liability is incurred, and is analysed between governance cost and charitable activities.

**1.7 Taxation**

As a registered charity, the trust is exempt from income and corporation tax to the extent that its gains are applicable to charitable purposes. Value added tax is not recoverable by the trust and is therefore included in the relevant costs in the statement of financial activities.

**2. DONATIONS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Fund 2016</b>	<b>Total Fund 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Voluntary donations	186,053	261,550	447,603	292,865
Zakat	-	15,690	15,690	16,660
Evening classes	45,376	-	45,376	52,943
Fundraising events	-	16,680	16,680	7,975
	<u>231,429</u>	<u>293,920</u>	<u>525,349</u>	<u>370,443</u>

**3. OTHER INCOME**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Deposit Account interest	20,184	11,745
	<u>20,184</u>	<u>11,745</u>

**4. NET MOVEMENT IN FUNDS FOR THE YEAR**

The net movement in funds for the year is stated after charging

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	98,660	94
Release of revaluation reserve against depreciation	(63,435)	
Audit fees	<u>3,000</u>	<u>3,000</u>

**IBAD-UR-RAHMAN TRUST**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**CONTINUED**

**5. STAFF COSTS**

	2016 £	2015 £
Wages and salaries	144,135	123,478
Social security costs	<u>7,184</u>	<u>4,008</u>
	<u><b>151,319</b></u>	<u><b>127,486</b></u>

The average weekly number of staff employed by the trust during the year was as follows:-

	2016	2015
Direct charitable work	<u>29</u>	<u>24</u>

**6. TANGIBLE FIXED ASSETS**

	Freehold land and buildings under construction £	Freehold land and buildings £	Fixtures and fittings £	Totals £
<b>COST OR VALUATION</b>				
At 1 April 2015	206,000	2,442,410	56,655	2,705,065
Additions	354,432	-	7,200	361,632
	<u>560,432</u>	<u>2,442,410</u>	<u>63,855</u>	<u>3,066,697</u>
At 31 March 2016	<u>560,432</u>	<u>2,442,410</u>	<u>63,855</u>	<u>3,066,697</u>
<b>DEPRECIATION</b>				
At 1 April 2015	-	-	56,399	56,399
Charge for year	-	97,696	964	98,660
	<u>-</u>	<u>97,696</u>	<u>57,363</u>	<u>155,059</u>
At 31 March 2016	<u>-</u>	<u>97,696</u>	<u>57,363</u>	<u>155,059</u>
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>560,432</u>	<u>2,344,714</u>	<u>6,492</u>	<u>2,911,638</u>
At 31 March 2015	<u>206,000</u>	<u>2,442,410</u>	<u>256</u>	<u>2,648,666</u>

The freehold property is the Jamia Mosque, Woodlands Road, Woodland Street, Cheetham Hill. A valuation of £2,636,000 was provided by Aspin and Company Chartered Surveyors on 19 June 2013. During the year to 31 March 2013 the trustees agreed that part of the mosque would be demolished. Work has now started on the redevelopment of the mosque. Therefore as a result an adjustment was made in 2015 to write down the value of the demolished part of the property to the estimated value of land only (£206,000). The balance of £2,430,000 related to the value of the land and other buildings which will not be demolished and which the trustees believe represented 50% of the value of the land and buildings in 2013.

A variable discount rate has been applied to the valuation in order to obtain the estimated cost of construction in 1982. The difference between these balances is included in the revaluation reserve.



**IBAD-UR-RAHMAN TRUST**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**7. RESERVES**

	At 1.4.15 £	Adjustments £	Incoming funds £	Outgoing funds £	At 31.3.16 £
<b>Unrestricted Funds</b>					
General fund	1,737,975	63,435	251,613	(293,332)	1,762,691
Revaluation Reserve	1,720,322	(63,435)	-	-	1,656,887
<b>Restricted Funds</b>					
Zakat	5,050	-	15,690	(14,590)	6,150
Playscheme	-	-	-	-	-
Fund raising	-	-	-	-	-
Sawat	-	-	-	-	-
Building development appeal	688,949	(325,499)	278,230	-	641,680
Building development					
Expended	249,725	353,112	-	-	602,837
Prepaid	28,933	(28,933)	-	-	-
Accrued	-	1,320	-	-	1,320
	<u>4,430,954</u>	<u>-</u>	<u>545,533</u>	<u>(303,997)</u>	<u>4,671,565</u>
Total Reserves	<u>4,430,954</u>	<u>-</u>	<u>545,533</u>	<u>(303,997)</u>	<u>4,671,565</u>

Restricted funds relate to appeals made during the current and prior years for particular specified purposes. In the current year, the restricted reserves relate to funds donated following appeals for the Mosque Development and monies collected at Eid for specific madrassas and charities in India and Pakistan.

**8. CONTROL**

The Trust is controlled jointly by the trustees in office.

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' benefits or expenses for the year ended 31 March 2016, nor for the year ended 31 March 2015.

Qamaruzzaman Azmi (Chief Iman) was appointed as trustee in July 2009. Mr Azmi is in receipt of a salary for his position as Chief Iman. During the year ended 31 March 2016, £22,377 (2015 - £20,054) was paid to Mr Azmi.

**10. CAPITAL COMMITMENTS**

As at the balance sheet date the trust had entered into a contract for the construction of a new mosque. The total contract value is £3,500,000. Work commenced in October 2015 and approximately £350,000 was paid before the year end leaving a capital commitment of £3,150,000 to be paid during the construction of the property in the 19 month period to October 2017.