

**JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                             |   |
|-----------------------------|---|
| <b>Charity number</b>       | 1102307   |
| <b>Chairman</b>             | Mohammed Yassin   |
| <b>Secretary</b>            | Mohammed Saleem   |
| <b>Principal address</b>    | 173-175 Albert Road<br>Stechford<br>Birmingham<br>B33 8UB                           |
| <b>Independent examiner</b> | Kaiser Nouman Nathan LLP<br>57 Alfred Street<br>Sparkbrook<br>Birmingham<br>B12 8JP |
| <b>Bankers</b>              | TSB Bank PLC<br>Sparkhill<br>Birmingham   |

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# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

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# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## TRUSTEES REPORT

**FOR THE YEAR ENDED 31 MARCH 2021**

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The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Jamia Masjid's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### **Objectives and activities**

The principal objectives of the Charity are:

To help develop knowledge of religion, heritage, moral and social values and to encourage the application of the values within the community.

To provide the diverse Muslim community with a place where they can perform their acts of worship and conduct various social affairs

To encourage Sunni Brelwi Muslims to interact with the wider community, in turn promoting mutual peace and understanding with multifaiths in the neighbourhood.

To invest in the future generation and the long term possessions of the Muslim community and society at large.

Memorisation of the Holy Qura'an.

To create an enjoyable and accessible learning atmosphere through dialogue, discussion and social interaction.

Teaching to recite the Holy Qur'an in the correct manner.

Instil Islamic beliefs in the hearts of the pupils in the light of the understanding of the Qur'an and Sunnah.

Teaching the basic and necessary Islamic injunctions.

Introducing the life of the Holy Prophet Sallallahu alaihe wa sallam and other Prophets Alaihim salaam.

Teaching manners and conduct in line with Islamic etiquette and beliefs to be a good and responsible human being in society.

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

### **Achievements and performance**

#### **Financial review**

It is the policy of the Jamia Masjid that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Jamia Masjid's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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

#### **Structure, governance and management**

Jamia Masjid and Madrassa Faiz-UI Quran Ghousia is a Charity Organisation. It is registered with the Charity Commissions (No. 1102307) and constituted by Deed of Trust.

The Charity is administered by a Trust Committee.

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# **JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA**

## **TRUSTEES REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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

Mohammed Yassin

Mohammed Saleem

### **STATUS**

Jamia Masjid and Madrassa Faiz-UI Quran Ghousia is a Registered Charity.

The Trustees report was approved by the Board of Trustees.

.....  
**Mohammed Yassin**  
**(Chairman)**

Dated: .....

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

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We report to the Trustees on my examination of the financial statements of Jamia Masjid & Madrassa Faiz-ul Quran Ghousia (the Jamia Masjid) for the year ended 31 March 2021.

#### **Responsibilities and basis of report**

As the Trustees of the Jamia Masjid you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

We report in respect of our examination of the Jamia Masjid's financial statements carried out under section 145 of the 2011 Act. In carrying out our examination, we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

We understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Jamia Masjid as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable 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.

We 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 financial statements to be reached.

Kaiser Nouman Nathan LLP  
57 Alfred Street  
Sparkbrook  
Birmingham  
B12 8JP

Dated: .....

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

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|   | Notes | Unrestricted<br>funds<br>2021<br>£ | Unrestricted<br>funds<br>2020<br>£ |
|---|-------|------------------------------------|------------------------------------|
| <b><u>Income from:</u></b>                                |       |                                    |                                    |
| Charitable activities                                     | 3     | 74,644                             | 61,808                             |
|   |       | <hr/>                              | <hr/>                              |
| <b><u>Expenditure on:</u></b>                             |       |                                    |                                    |
| Charitable activities                                     | 4     | 63,706                             | 58,722                             |
|   |       | <hr/>                              | <hr/>                              |
| <b>Net income for the year/<br/>Net movement in funds</b> |       | 10,938                             | 3,086                              |
| Fund balances at 1 April 2020                             |       | 420,261                            | 417,175                            |
|   |       | <hr/>                              | <hr/>                              |
| <b>Fund balances at 31 March 2021</b>                     |       | 431,199                            | 420,261                            |
|   |       | <hr/> <hr/>                        | <hr/> <hr/>                        |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## BALANCE SHEET

AS AT 31 MARCH 2021

|   | Notes | 2021<br>£      | £              | 2020<br>£      | £              |
|---|-------|----------------|----------------|----------------|----------------|
| <b>Fixed assets</b>                                   |       |                |                |                |                |
| Tangible assets                                       | 7     |                | 412,221        |                | 384,524        |
| <b>Current assets</b>                                 |       |                |                |                |                |
| Debtors   | 8     | -              |                | 1,700          |                |
| Cash at bank and in hand                              |       | 22,747         |                | 35,293         |                |
|   |       | <u>22,747</u>  |                | <u>36,993</u>  |                |
| <b>Creditors: amounts falling due within one year</b> | 9     | <u>(3,769)</u> |                | <u>(1,256)</u> |                |
| Net current assets                                    |       |                | 18,978         |                | 35,737         |
| <b>Total assets less current liabilities</b>          |       |                | <u>431,199</u> |                | <u>420,261</u> |
| <b>Income funds</b>                                   |       |                |                |                |                |
| Unrestricted funds                                    |       |                | 431,199        |                | 420,261        |
|   |       |                | <u>431,199</u> |                | <u>420,261</u> |

The financial statements were approved by the Trustees on .....

.....  
Mohammed Yassin  
Trustee



# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Charity information

Jamia Masjid & Madrassa Faiz-ul Quran Ghousia is a Charity Organisation. It is registered with the Charity Commissions (No: 1102307) and constituted by Deed of Trust.

The Charity is administered by a Trust Committee.

The principal object of the Charity is to provide a Place of Worship, Religious Teachings and Education Centre for the benefit of the local community.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with rules and purposes of Jamia Masjid, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Jamia Masjid is a Public Benefit Entity as defined by FRS 102.

The Jamia Masjid has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trustees of Jamia Masjid & Madrassa Faiz-ul Quran Ghousia.

#### 1.4 Income

Income is recognised when the Jamia Masjid is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the Jamia Masjid has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Jamia Masjid has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.5 Expenditure

The expenditures are accounted for on accrual basis.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |                           |
|-----------------------------|---------------------------|
| Freehold land and buildings | 2% on cost                |
| Fixtures and fittings       | 15% on written down value |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Jamia Masjid reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The Jamia Masjid has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Jamia Masjid's balance sheet when the Jamia Masjid becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Jamia Masjid's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the Jamia Masjid's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Charitable activities

|                               | 2021<br>£     | 2020<br>£     |
|-------------------------------|---------------|---------------|
| Voluntary Income              | 22,349        | 41,808        |
| Rental income                 | 28,000        | 20,000        |
| Other income: Coronavirus JRS | 24,295        | -             |
|                               | <u>74,644</u> | <u>61,808</u> |

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 4 Charitable activities

|                         | 2021<br>£     | 2020<br>£     |
|-------------------------|---------------|---------------|
| Staff costs             | 31,895        | 33,791        |
| Depreciation            | 11,484        | 10,793        |
| Bank charges            | 121           | 378           |
| IT & Computer           | -             | 25            |
| Website                 | 865           | 105           |
| Rates                   | 1,030         | 1,012         |
| Light & heat            | 6,080         | 7,981         |
| Stationery & printing   | 160           | 184           |
| Telephone               | 449           | 382           |
| Repairs & maintenance   | 4,401         | 1,100         |
| Cleaning                | 310           | 220           |
| Insurance               | 1,648         | 1,246         |
| Other Professional fees | 995           | 698           |
| Accountants fees        | 510           | 510           |
|                         | <u>63,706</u> | <u>58,722</u> |
|                         | <u>63,706</u> | <u>58,722</u> |

### 5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Jamia Masjid during the year.

### 6 Employees

The average monthly number of employees during the year was:

|                         | 2021<br>Number    | 2020<br>Number    |
|-------------------------|-------------------|-------------------|
|                         | 5                 | 6                 |
|                         | <u>5</u>          | <u>6</u>          |
| <b>Employment costs</b> | <b>2021<br/>£</b> | <b>2020<br/>£</b> |
| Wages and salaries      | 31,365            | 33,493            |
| Social security costs   | 530               | 298               |
|                         | <u>31,895</u>     | <u>33,791</u>     |
|                         | <u>31,895</u>     | <u>33,791</u>     |

# JAMIA MASJID & MADRASSA FAIZ-UL QURAN GHOUSIA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 7 Tangible fixed assets

|                                    | Freehold land<br>and buildings<br>£ | Fixtures and<br>fittings<br>£ | Total<br>£ |
|------------------------------------|-------------------------------------|-------------------------------|------------|
| <b>Cost</b>                        |                                     |                               |            |
| At 1 April 2020                    | 508,650                             | 8,694                         | 517,344    |
| Additions                          | 39,181                              | -                             | 39,181     |
| At 31 March 2021                   | 547,831                             | 8,694                         | 556,525    |
| <b>Depreciation and impairment</b> |                                     |                               |            |
| At 1 April 2020                    | 127,639                             | 5,181                         | 132,820    |
| Depreciation charged in the year   | 10,957                              | 527                           | 11,484     |
| At 31 March 2021                   | 138,596                             | 5,708                         | 144,304    |
| <b>Carrying amount</b>             |                                     |                               |            |
| At 31 March 2021                   | 409,235                             | 2,986                         | 412,221    |
| At 31 March 2020                   | 381,011                             | 3,513                         | 384,524    |

The estimated market value of the freehold property is estimated by the Management Committee to be in excess of £600,000.

### 8 Debtors

|   | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | -         | 1,700     |

### 9 Creditors: amounts falling due within one year

|                 | 2021<br>£ | 2020<br>£ |
|-----------------|-----------|-----------|
| Trade creditors | 3,769     | 1,256     |

### 10 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).