

SRI LANKA MUSLIM ASSOCIATION(UK)
Financial Statements
31 March 2024

SALEEMI ASSOCIATES

Chartered accountants& statutory auditor
792 Wickham Road
Croydon CR0 8EA

SRI LANKA MUSLIM ASSOCIATION(UK)

Financial Statements

Year ended 31 March 2024

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SRI LANKA MUSLIM ASSOCIATION(UK)

Trustee's Annual Report

Year ended 31 March 2024

The trustee presents his report and the financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name SRI LANKA MUSLIM ASSOCIATION(UK)

Charity registration number 1111447

Principal office 1 Stoke Road
Slough
Berkshire
SL2 5AH

Website www.aljannah.org.uk

Email sloughaljannah@gmail.com

info@aljannah.org.uk

Auditor Saleemi Associates
Chartered accountants & statutory auditor
792 Wickham Road
Croydon CR0 8EA

Solicitor Robert Meakin
Keystone Law
48 Chancery Lane London
WC2A 1JF

SRI LANKA MUSLIM ASSOCIATION(UK)

Trustee's Annual Report *(continued)*

Year ended 31 March 2024

The trustees are pleased to present their report and unaudited financial statements for the year ending 31 March 2024.

Trustees

The following individuals served as trustees during the financial year:

- **Re-elected Trustees (08/01/2023):**
 - Mr Anees Mohammed
 - Mr Hakeel Mohamed
 - Mr Mohammed Sakkaf
 - Mr Nazeer Marzook
 - Mr Rizwan Rameez
 - Mr Abdul Hameed Anverdeen
 - Mr Mohamed Abdullah Ameen
 - Mr Mohamed Janoofar Bathurusaman
 - Mr Mohamed Akram Abdul Azeez
 - Mr Mohamed Aasir Mohamed Akram
 - Mr Mohamed Uzair Mohamed Omerdeen
- **Newly Elected Trustees (08/01/2023):**
 - Mr Mohamed Iththisham
 - Mr Junaid Mohamed Siddique
 - Mr Mohamed Rihan Jabbar
 - Mr Nuskey Mohamed Nasrudeen

Structure, Governance, and Management

Constitution

The Sri Lanka Muslim Association (UK) is a charitable trust, governed by its trust deed and registered with the Charity Commission under number 1111447.

Organisational Structure

The trustees are responsible for managing the charity's assets, including Masjid Al-Jannah: Islamic Educational & Community Centre. They provide their time voluntarily and do not receive remuneration or financial benefits.

Trustees hold regular meetings to oversee the operations of the mosque, community centre, and other charitable activities. Decisions are made collectively to ensure effective management.

Recruitment and Appointment of Trustees

Trustees are appointed in accordance with the trust deed and agreed procedures, incorporating feedback from the community to strengthen relationships with members and the wider public.

SRI LANKA MUSLIM ASSOCIATION(UK)

Trustee's Annual Report *(continued)*

Year ended 31 March 2024

Risk Management

The trustees have assessed risks to the charity and implemented contingency plans to manage identified risks. Policies, insurance coverage, and financial reviews are in place to safeguard operations.

Objectives and Activities

The charity's objectives, as outlined in its trust deed, include:

1. Supporting Sri Lankan Muslim residents in Slough and surrounding areas through advice services.
2. Promoting racial harmony and mutual understanding.
3. Advancing education in Islamic culture, religious studies, health, and poverty alleviation.
4. Offering individual and group counselling on topics such as marriage, divorce, and other community concerns.
5. Providing recreational facilities to enhance the physical, mental, and spiritual well-being of individuals.
6. Establishing places for religious, cultural, and educational activities, including Islamic schools and libraries.
7. Publishing and distributing educational and cultural materials.
8. Conducting English language classes to improve literacy.
9. Facilitating Muslim funerals in accordance with Islamic principles.
10. Promoting unity, discipline, and faith.

Achievements

To achieve these objectives, the charity:

- Established Masjid Al-Jannah, an Islamic Educational & Community Centre, as a hub for religious, educational, and cultural activities.
 - Key achievements include ongoing progress in Teaching Islamic Studies and Memorising Quran (Hifz) for kids, a highly successful 2024 Summer Social Event, setting high standards for British Mosque, and the successful launch of Girls' Hifz Classes and Saturday Youth Circle for girls.
 - Conducted programs and lectures in both English and Tamil, catering to the Sri Lankan Muslim community in Slough and beyond.
 - Facilitated charitable giving through the collection and distribution of Sadaqa, Zakat, and Fitrana to alleviate poverty.
 - Held seminars, educational classes, and events free of charge, funded through community donations.
 - Organized disaster relief appeals and ensured all funds were used exclusively for their intended purposes.
 - Hosted open days and interfaith activities to foster understanding and dialogue with the wider community.
 - Provided consular and support services for vulnerable groups, including youth, women, and men.
 - Worked closely with local authorities, including Slough Borough Council and the police, to promote law and order through community programs.
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SRI LANKA MUSLIM ASSOCIATION(UK)

Trustee's Annual Report *(continued)*

Year ended 31 March 2024

Financial Review

Reserves Policy

The trustees aim to maintain sufficient reserves to cover the operating costs of the charity, primarily the running of the Islamic Centre and Mosque.

Principal Funding Sources

The charity's income primarily comes from:

- Donations collected during Friday prayers, special appeals, and festive prayers.
- Standing orders, random donations and Membership fees
- Interest-free loans (Qarze-e-Hasana) from individuals, repayable on demand, to fund capital projects.
- Cash donations received to the fix tills in the mosque premisses

Plans for Future Periods

Vision-1: Future Plan for New Third Floor: The charity began construction of a third floor in April 2022, with completion expected within February 2025. The new 3rd floor has been effectively utilized with the establishment of a Pre-Islamic School, creation of a new media centre, launch of projects benefiting Sri Lankan children, and the opening of a new Library with British and Islamic values.

Vision-2: Establishing a Sri Lankan Community Centre: The vision is to serve as a community hub for the Sri Lankan Muslim community and the wider population in Slough, with key objectives including fostering community cohesion, hosting gatherings with community spaces for events, providing inclusive sports facilities for activities like football and badminton, etc.

Vision-3: Marriage & Reconciliation Council: The establishment of the Islamic Marriage & Reconciliation Council (SLMA-UK) aims to provide marriage counselling, mediate disputes, offer educational programs on marriage and family life, deliver support services for couples in crisis, and promote healthy marriages and family dynamics within the Muslim community.

Trustee's responsibilities statement

The trustee is responsible for preparing the trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 trustee is 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
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SRI LANKA MUSLIM ASSOCIATION(UK)

Trustee's Annual Report *(continued)*

Year ended 31 March 2024

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 trustee is 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 him to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. He is 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.

The trustee's annual report was approved on 30 Jan 2025 and signed on behalf of the board of trustees by:



Mohamed Uzair Mohamed Omerdeen
Secretary



Mohamed Akram Abdul Azeez (Jan 30, 2025 11:20 GMT)

Mohamed Akram Abdul Azeez
Treasurer

SRI LANKA MUSLIM ASSOCIATION(UK)

Independent Auditor's Report to the Members of SRI LANKA MUSLIM ASSOCIATION(UK)

Year ended 31 March 2024

Opinion

We have audited the financial statements of SRI LANKA MUSLIM ASSOCIATION (UK) (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, statement of financial position and the related notes, 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 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 trustee's 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 trustee with respect to going concern are described in the relevant sections of this report.

SRI LANKA MUSLIM ASSOCIATION(UK)

Independent Auditor's Report to the Members of SRI LANKA MUSLIM ASSOCIATION(UK) *(continued)*

Year ended 31 March 2024

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 trustee's report.

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

- the information given in the trustee's report is inconsistent in any material respect with the financial statements; or
- adequate 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.

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

SRI LANKA MUSLIM ASSOCIATION(UK)

Independent Auditor's Report to the Members of SRI LANKA MUSLIM ASSOCIATION(UK) *(continued)*

Year ended 31 March 2024

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:

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. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, GDPR, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but was not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SRI LANKA MUSLIM ASSOCIATION(UK)

Independent Auditor's Report to the Members of SRI LANKA MUSLIM ASSOCIATION(UK) *(continued)*

Year ended 31 March 2024

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Use of our report

This report is made solely to the charity's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Saleemi Associates
Chartered accountants & statutory auditor
792 Wickham Road
Croydon CR0 8EA

Date: 30 Jan 2025

Saleemi Associates 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.

SRI LANKA MUSLIM ASSOCIATION(UK)

Statement of Financial Activities

Year ended 31 March 2024

		2024			2023
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	352,350	34,588	–	386,938
Charitable activities	5	–	52,386	345,087	397,473
Investment income	6	1,637	–	–	1,637
Total income		<u>353,987</u>	<u>86,974</u>	<u>345,087</u>	<u>786,048</u>
Expenditure					
Expenditure on charitable activities	7,8	395,819	113,997	–	509,815
Total expenditure		<u>395,819</u>	<u>113,997</u>	<u>–</u>	<u>509,815</u>
Net income		<u>(41,832)</u>	<u>(27,023)</u>	<u>345,087</u>	<u>276,233</u>
Transfers between funds		(149,463)	–	149,463	–
Net movement in funds		<u>(191,295)</u>	<u>(27,023)</u>	<u>494,550</u>	<u>276,233</u>
Reconciliation of funds					
Total funds brought forward		247,584	58,786	1,115,527	1,421,897
Total funds carried forward		<u>56,289</u>	<u>31,763</u>	<u>1,610,077</u>	<u>1,698,129</u>

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

The notes on pages 12 to 20 form part of these financial statements.


SRI LANKA MUSLIM ASSOCIATION(UK)


Notes to the Financial Statements


Year ended 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	13	1,626,050	1,134,318
Current assets			
Debtors	14	120,000	65,000
Cash at bank and in hand		252,233	392,286
		372,233	457,286
Creditors: amounts falling due within one year	15	16,658	2,592
Net current assets		355,575	454,694
Total assets less current liabilities		1,981,625	1,589,012
Creditors: amounts falling due after more than one year	16	283,495	167,115
Net assets		1,698,130	1,421,897
Funds of the charity			
Endowment funds		1,610,077	1,115,527
Restricted funds		31,763	58,786
Unrestricted funds		56,289	247,584
Total charity funds	17	1,698,129	1,421,897

These financial statements were approved by the board of trustees and authorised for issue on 30 Jan 2025, and are signed on behalf of the board by:


Anees Mohammed (Jan 30, 2025 09:50 GMT)
Mr Anees Mohammed
President


Mohamed Uzair Mohamed Omerdeen
Secretary


Mohamed Akram Abdul Azeez (Jan 30, 2025 11:20 GMT)
Mohamed Akram Abdul Azeez
Treasurer

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements

Year ended 31 March 2024

1. 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 Al-Jannah Masjid, 1 Stoke Road, Slough, Berkshire, SL2 5AH.

2. 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.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 15% reducing balance

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.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
General donations	69,717	–	69,717
Fitrah collections	–	12,227	12,227
Friday collections	87,406	–	87,406
Janaza donations	–	2,783	2,783
Ifthar donation	64,003	–	64,003
Makthab and Hafiz	86,011	–	86,011
Sadaqah collections	–	5,472	5,472
Standing order collections and membership fees	13,725	–	13,725
Till collections	19,356	–	19,356
Zakah collections	–	14,106	14,106
HMRC- Gift Aid	3,332	–	3,332
Other income	8,800	–	8,800
	<u>352,350</u>	<u>34,588</u>	<u>386,938</u>

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
General donations	46,855	—	46,855
Fitrh collections	—	13,425	13,425
Friday collections	77,318	—	77,318
Janaza donations	—	2,376	2,376
Ifthar donation	43,731	—	43,731
Makthab and Hafiz	74,997	—	74,997
Sadaqah collections	—	16,758	16,758
Standing order collections and membership fees	15,814	—	15,814
Till collections	18,274	—	18,274
Zakah collections	—	6,024	6,024
HMRC- Gift Aid	—	—	—
Other income	—	—	—
	<u>276,989</u>	<u>38,583</u>	<u>315,572</u>

5. Charitable activities

	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Building project donations	—	345,087	345,087
Project collections	52,386	—	52,386
	<u>52,386</u>	<u>345,087</u>	<u>397,473</u>

	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Building project donations	237,951	—	237,951
Project collections	56,109	—	56,109
	<u>294,060</u>	<u>—</u>	<u>294,060</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>1,637</u>	<u>1,637</u>	<u>199</u>	<u>199</u>

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Charitable activities	389,819	113,997	503,815
Support costs	6,000	—	6,000
	<u>395,819</u>	<u>113,997</u>	<u>509,815</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable activities	266,112	88,390	354,502
Support costs	360	—	360
	<u>266,472</u>	<u>88,390</u>	<u>354,862</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Charitable activities	503,815	—	503,815	354,502
Governance costs	—	6,000	6,000	360
	<u>503,815</u>	<u>6,000</u>	<u>509,815</u>	<u>354,862</u>

9. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>2,818</u>	<u>3,316</u>

10. Auditors remuneration

	2024 £	2023 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>—</u>

11. Staff costs

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

	2024 £	2023 £
Wages and salaries	158,017	90,864
Social security costs	16,956	7,433
	<u>174,973</u>	<u>98,297</u>

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

11. Staff costs *(continued)*

The average head count of employees during the year was 22 (2023: 15).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees. All the trustees are volunteers and rendered their service free of charge.

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 April 2023	1,115,527	61,013	1,176,540
Additions	494,550	—	494,550
At 31 March 2024	1,610,077	61,013	1,671,090
Depreciation			
At 1 April 2023	—	42,222	42,222
Charge for the year	—	2,818	2,818
At 31 March 2024	—	45,040	45,040
Carrying amount			
At 31 March 2024	1,610,077	15,973	1,626,050
At 31 March 2023	1,115,527	18,791	1,134,318

14. Debtors

	2024	2023
	£	£
Other debtors	120,000	65,000

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals and deferred income	6,360	1,080
Social security and other taxes	2,931	1,087
Other creditors	7,367	425
	16,658	2,592

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

16. Creditors: amounts falling due after more than one year

	2024 £	2023 £
Other creditors	<u>283,495</u>	<u>167,115</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
General funds	<u>247,584</u>	<u>353,987</u>	<u>(395,819)</u>	<u>(149,463)</u>	<u>56,289</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
General funds	<u>1,149,187</u>	<u>277,188</u>	<u>(266,472)</u>	<u>(912,319)</u>	<u>247,584</u>

Restricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Restricted Fund	<u>58,786</u>	<u>86,974</u>	<u>(113,997)</u>	<u>—</u>	<u>31,763</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Restricted Fund	<u>17,741</u>	<u>332,643</u>	<u>(88,390)</u>	<u>(203,208)</u>	<u>58,786</u>

SRI LANKA MUSLIM ASSOCIATION(UK)

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

17. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 20 24 £
Permanent Endowment Fund	1,115,527	345,087	—	149,463	1,610,077

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 20 23 £
Permanent Endowment Fund	—	—	—	1,115,527	1,115,527

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Tangible fixed assets	15,973	—	1,610,077	1,626,050
Current assets	340,470	31,763	—	372,233
Creditors less than 1 year	(16,659)	—	—	(16,659)
Creditors greater than 1 year	(283,495)	—	—	(283,495)
Net assets	56,289	31,763	1,610,077	1,698,129

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Tangible fixed assets	18,791	—	1,115,527	1,134,318
Current assets	398,500	58,786	—	457,286
Creditors less than 1 year	(2,592)	—	—	(2,592)
Creditors greater than 1 year	(167,115)	—	—	(167,115)
Net assets	247,584	58,786	1,115,527	1,421,897