

REGISTERED CHARITY NUMBER: 1112379

Report of the Trustees and
Financial Statements for the Year Ended 31 July 2021
for
Morden Islamic Centre

Morden Islamic Centre

Reference and Administrative Details
for the Year Ended 31 July 2021

TRUSTEES

H A Aziz (Chairman)
M A Dosani
Y Bobat
Taslima Aziz Dada
Famida Haroon Aziz Mahomed

PRINCIPAL ADDRESS

116 London Road
Morden
Surrey
SM4 5AX

REGISTERED CHARITY NUMBER 1112379

INDEPENDENT EXAMINER

Girach & Mannan Ltd
Chartered Certified Accountants
1 Mychell House, Pincott Road
Wimbledon
London
SW19 2NN

Morden Islamic Centre

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for the Year Ended 31 July 2021

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Morden Islamic Centre

Report of the Trustees for the Year Ended 31 July 2021

The trustees present their report with the financial statements of the charity for the year ended 31 July 2021. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity as set out in its governing document are as follows.

1. The advancement of education among children and young people from Muslim communities in the London Borough of Merton and surrounding areas by the provision of facilities for supplementary lessons and additional tuition.
2. The advancement of the Islamic faith by such exclusively charitable means as the trustees shall from time to time determine.

The trustees review the aims and objectives to ensure that they are in line with the public benefit of the community. In conducting this review, the trustees have considered Charity Commission's general guidance on public benefit.

Significant activities

In addition to the provision of daily prayer and congregation facilities, the charity is continuing to provide social welfare through a food bank operative under Morden Islamic Centre with the support of Merton Council for the most vulnerable members of the community.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Throughout the year the charity maintained the centre to achieve its objectives and the Trustees are satisfied with the overall performance of the charity.

The charity provided praying, educational and recreational facilities to the local community and also helped various registered charities in the United Kingdom with donations to achieve its objectives. This year was particularly challenging due to the spread of COVID-19 and the restrictions that were put in place by the Government to stop its spread which resulted in reduced operations of charity during the year. The community lost many of its members to the pandemic and both the charity and community mourn their loss. The number of people attending worship had to be reduced drastically in line with Government guidelines. In order to manage number of worshippers during the pandemic a dynamic online registration system was introduced for the worshippers. This provided real time information to community while adhering to Government guideline for places of worship. The operations of evening school were also suspended for some time in adherence with Government advice.

Despite these challenges the charity continued to support the community through provision of food parcels for the neediest families. The charitable kitchen services for the homeless and needy were organized on regular basis. In recognition of services to the community and demonstration of services provided, the charity was awarded achievement certificates from Merton Council in April 2021. Moral and Spiritual supports was provided to members of the community by Imams.

These achievements are always backed by generous donors, excellent team and volunteers who help the charity throughout the year.

FINANCIAL REVIEW

Principal funding sources

The principal source of funding is through voluntary donations from donors within the local community. Due to decreased footfall this year saw a decline in donations received. However, the trustee continued to secure further donations for the charity through appeals during Ramadan.

Morden Islamic Centre

Report of the Trustees
for the Year Ended 31 July 2021

Reserves policy

The trustees regularly review the reserves of the charity. The policy is to hold enough reserves to meet three to four months operating costs.

The reserve funds do not include fixed assets or other tangible assets the financial position of the charity appears to be steady and secure.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Morden Islamic centre is a charitable trust registered with the charities commission on 02 December 2005 under charity registration number 1112379. It is governed by a deed of trust dated 15th July 2005 as amended by supplemental deed dated 13th November 2005.

Organisational structure

The board of trustees oversee the running of the charity on a day to day basis. All operational decisions are made at board meetings which are held frequently throughout the year. The trustees of the charity do not receive any remuneration or financial benefit for their services.

Approved by order of the board of trustees on 3rd August 2022 and signed on its behalf by:



.....
H A Aziz - Trustee

Independent Examiner's Report to the Trustees of
Morden Islamic Centre

Independent examiner's report to the trustees of Morden Islamic Centre

I report to the charity trustees on my examination of the accounts of Morden Islamic Centre (the Trust) for the year ended 31 July 2021.

Responsibilities and basis of report

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

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


Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the 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.

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



Zeeshan Mannan - FCCA
Girach & Mannan Ltd
Chartered Certified Accountants
1 Mychell House, Pincott Road
Wimbledon
London
SW19 2NN

Date: 03/08/22

Morden Islamic Centre

Statement of Financial Activities
for the Year Ended 31 July 2021

	Notes	Unrestricted funds £	Restricted fund £	31.7.21 Total funds £	31.7.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		184,958	36,661	221,619	332,398
Other activities	2	4,260	22,104	26,364	44,262
Income from Flats		<u>58,950</u>	<u>-</u>	<u>58,950</u>	<u>51,500</u>
Other Income – JRS Grant		25,525	-	25,525	32,239
Total		273,693	58,765	332,458	460,399
EXPENDITURE ON					
Charitable activities					
Charitable Causes		203,379	60,725	264,104	422,112
Evening School		1,701	44,620	46,321	42,459
Gym Maintenance		<u>1,060</u>	<u>-</u>	<u>1,060</u>	<u>530</u>
Total		206,140	105,345	311,485	465,101
NET INCOME/(EXPENDITURE)		67,553	(46,580)	20,973	(4,702)
RECONCILIATION OF FUNDS					
Total funds brought forward		780,095	1,116	781,211	785,913
Transfer Between Funds (Unrestricted to Restricted)		(48,576)	48,576	-	-
TOTAL FUNDS CARRIED FORWARD		<u>799,072</u>	<u>3,112</u>	<u>802,184</u>	<u>781,211</u>

The notes form part of these financial statements

Morden Islamic Centre

Balance Sheet

31 July 2021

	Notes	Unrestricted funds £	Restricted fund £	31.7.21 Total funds £	31.7.20 Total funds £
FIXED ASSETS					
Tangible assets	6	33,474	-	33,474	32,095
CURRENT ASSETS					
Debtors	7	392,000	-	392,000	397,887
Cash at bank		<u>382,591</u>	<u>3,112</u>	<u>385,703</u>	<u>359,289</u>
		774,591	3,112	777,703	757,176
CREDITORS					
Amounts falling due within one year	8	(8,993)	-	(8,993)	(7,112)
NET CURRENT ASSETS		<u>765,598</u>	<u>3,112</u>	<u>768,710</u>	<u>749,116</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>799,072</u>	<u>3,112</u>	<u>802,184</u>	<u>781,211</u>
NET ASSETS		<u>799,072</u>	<u>3,112</u>	<u>802,184</u>	<u>781,211</u>
FUNDS	9				
Unrestricted funds:					
General Funds				799,072	780,095
Restricted funds:					
Sadka, Zakat & School Funds				<u>3,112</u>	<u>1,116</u>
TOTAL FUNDS				<u>802,184</u>	<u>781,211</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 3rd August 2022 and were signed on its behalf by:



 H A Aziz - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on account of its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER ACTIVITIES

	31.7.21	31.7.20
	£	£
Gym Membership Fee	4,260	7,635
Evening School Contributions	<u>22,104</u>	<u>36,627</u>
	<u>26,364</u>	<u>44,262</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.7.20	31.7.19
Administrative Staff	2	2
Imams	2	2
Teachers	<u>9</u>	<u>9</u>
	<u>13</u>	<u>13</u>

No employees received emoluments in excess of £60,000.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	184,958	36,661	221,619
Other activities	4,260	22,104	26,364
Income from Flats	58,950	-	58,950
Other Income – JRS Grant	<u>25,525</u>	<u>-</u>	<u>25,525</u>
Total	273,693	58,765	332,458
EXPENDITURE ON			
Charitable activities			
Charitable Causes	203,379	60,725	264,104
Evening School	1701	44,620	46,321
Gym Maintenance	1,060	-	1,060
	<u></u>	<u></u>	<u></u>
Total	206,140	105,345	311,485

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME	67,553	(46,580)	20,973
RECONCILIATION OF FUNDS			
Total funds brought forward	780,095	1,116	781,211
Transfer Between Funds (Unrestricted to Restricted)	(48,576)	48,576	-
TOTAL FUNDS CARRIED FORWARD	<u>799,072</u>	<u>3,112</u>	<u>802,184</u>

6. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 August 2020	10,000	44,577	5,023	59,600
Additions	<u>-</u>	<u>7,227</u>	<u>-</u>	<u>7,227</u>
At 31 July 2021	<u>10,000</u>	<u>51,804</u>	<u>5,023</u>	<u>66,827</u>
DEPRECIATION				
At 1 August 2020	-	24,132	3,372	27,504
Charge for year	<u>-</u>	<u>5,218</u>	<u>631</u>	<u>5,849</u>
At 31 July 2021	<u>-</u>	<u>29,350</u>	<u>4,003</u>	<u>33,353</u>
DISPOSAL				
At 31 July 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
At 31 July 2021	<u>10,000</u>	<u>22,454</u>	<u>1,020</u>	<u>33,474</u>
At 31 July 2020	<u>10,000</u>	<u>20,445</u>	<u>1,650</u>	<u>32,095</u>

Morden Islamic Centre

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

7.	DEBTORS		31.7.21 £	31.7.20 £
	Amounts falling due within one year:			
	Prepayments		-	10,806
	Amounts falling due after more than one year:			
	Loan to staff		17,000	12,000
	Other Debtors		375,000	416,000
	Aggregate amounts		392,000	438,906
8.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.7.21 £	31.7.20 £
	Trade creditors		18	966
	Taxation and social security		3,211	(770)
	Other Creditors		5,764	7,864
			8,993	8,060
9.	MOVEMENT IN FUNDS			
		At 1.8.20 £	Net movement in funds £	At 31.7.21 £
	Unrestricted funds			
	General Funds	780,095	18,977	799,072
	Restricted funds			
	Sadka, Zakat & School Funds	1,116	1,996	3,112
	TOTAL FUNDS	781,211	20,973	802,184
	Net movement in funds, included in the above are as follows:			
		Incoming resources £	Resources expended £	Transfers £
				Movement in funds £
	Unrestricted funds			
	General Funds	273,693	(206,140)	(48,576)
	Restricted funds			
	Sadka, Zakat & School Funds	58,765	(105,345)	48,576
	TOTAL FUNDS	332,458	(311,485)	20,973

9. MOVEMENT IN FUNDS - continued**Comparatives for movement in funds**

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General Funds	780,446	(351)	780,095
Restricted funds			
Sadka, Zakat & School Funds	5,467	(4,351)	1,116
	<u>785,913</u>	<u>(4,702)</u>	<u>781,211</u>
TOTAL FUNDS	<u>785,913</u>	<u>(4,702)</u>	<u>781,211</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Funds	349,805	(323,002)	26,803
Restricted funds			
Sadka, Zakat & School Funds	110,594	(142,099)	(31,505)
	<u>460,399</u>	<u>(465,101)</u>	<u>(4,702)</u>
TOTAL FUNDS	<u>460,399</u>	<u>(465,101)</u>	<u>(4,702)</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2021.

11. OTHER DEBTORS

Included in the other debtors is £175,000 loaned for the acquisition of property for charity's use which has been repaid in full after the year end as the expected acquisition did not materialise. Charity is now exploring possibilities of development at Worcester park where freehold title is owned by charity. The appointed nominee has agreed to undertake this work at no costs and is placed with the funds of £200,000. If planning permission is granted the subsequent development will generate income for charity which will be used for its objectives.

Morden Islamic Centre

Detailed Statement of Financial Activities
for the Year Ended 31 July 2021

	31.7.21 £	31.7.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Zakat Sadka & Fitrana Donation	41,596	29,166
Donations	108,628	221,752
Gift aid	27,260	36,679
Friday Collection	<u>44,135</u>	<u>44,801</u>
	221,619	323,398
Other activities		
Gym Membership Fee	4,260	7,635
Evening School Contributions	<u>22,104</u>	<u>36,627</u>
	26,364	44,262
Rents Received		
Hall hire	-	1,240
Income from Flats	<u>58,950</u>	<u>55,727</u>
	<u>58,950</u>	<u>56,967</u>
Other Income		
JRS Grant	25,525	32,239
Total incoming resources	332,458	460,399
EXPENDITURE		
Charitable activities		
Staff Wages and Teachers Costs	77,229	94,691
Social security	7,625	5,856
Rates and water	6,879	6,722
Insurance	28,337	12,392
Light and heat	6,603	10,431
Community Events	250	4,678
Donations to UK Charities UnRestricted Funds	2,455	-
Evening School	1,651	2,516
Gym Maintenance	1,060	845
Lift Maintenance	1,825	3,395
Cleaning	30,482	4,902
Repairs & Maintenance	10,556	88,694
Caretaker Wages	12,000	12,000
Travel	5	572
Fire & Safety	1,282	338
Carried forward	188,239	248,032

Morden Islamic Centre

Detailed Statement of Financial Activities
for the Year Ended 31 July 2021

	31.7.21 £	31.7.20 £
Charitable activities		
Brought forward	188,239	248,032
Ramadan & Hospitality Costs	-	5,276
Donations to UK Charities Restricted Funds	60,725	99,694
Waste Management	563	288
Charitable Kitchen	<u>4,510</u>	<u>7,280</u>
	254,037	360,570
Management Costs		
Wages	36,000	36,000
Telephone	1,659	1,639
Postage and stationery	533	936
Books	1,965	801
Sundries	855	2,003
Computer Costs	792	431
Staff Costs	-	168
Professional fees	5,403	179
Payroll Costs	1,788	1,524
Letting & Management Fee-Flats	-	720
Rent	<u>-</u>	<u>50,000</u>
	48,995	94,401
Finance		
Bank charges	104	61
Fixtures and fittings	5,218	6,815
Computer equipment	<u>631</u>	<u>754</u>
	5,954	7,630
Governance costs		
Accountancy and legal fees	<u>2,500</u>	<u>2,500</u>
Total resources expended	<u>311,485</u>	<u>465,101</u>
Net (expenditure)/income	<u>20,973</u>	<u>(4,702)</u>

This page does not form part of the statutory financial statements