

Registered Charity Number: 1129781

Financial
Statements
for the
year ended

December 31

2021

Islamic Cultural Society Luton Mosque

Report of the Trustees for the year ended 31 December 2021

The trustees present their annual report and unaudited financial statements for the year ended 31 December 2021 and confirm they comply with Charities Act 1993, as amended by Charities Act 2006, the trust deed and the Charities SORP 2005.

Reference and Administrative Information

Charity Name	Islamic Cultural Society Luton Mosque
Charity Registration Number	1129781
Principal Office	2 Westbourne Road Luton LU4 8JD
Custodians	Chaudry Amin Mohammed Iqbal Mahboob Khan
Principal Administrators	Mohammed Shafait (President) Tanvir Munir (Secretary) Mohammed Saleem (Treasurer)

Trustees

Mohammed Saleem	Usman Azim
Mohammed Shafait	Punu Khan
Jawed Akhtar Khan	Tanvir Munir
Arshad Yasin	Tariq Aziz
Nisar Ahmed	Mohammed Imran Khan
Mohammad Qurban	Arif Khan
Yasar Hussain	Mohammed Safeer Khan
Basharit Ali	Amjid Hussain
Hamza Ahmad	Mohammed Rizwan
Tayyab Raja	Asrar Sadiq
Shakar Ali	

Accountants	RCi Chartered Accountants and Business Advisors Windsor House 9-15 Adelaide Street, Luton LU1 5BJ
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Bankers	Barclays Bank plc 28 George Street, Luton LU1 2AE
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Structure, governance and management

Governing document

Islamic Cultural Society Luton Mosque is constituted as a charitable trust registered with Charity Commission on 21 May 2009 under charity registration number 1129781. Its constitution was established by an order of the High Court of Justice on 31 July 1997; as amended on 12 December 1999, 19 October 2008 and 26 April 2009.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or any other financial benefits.

The trustees meet together as a body monthly and are responsible for all decisions taken in relation to running the Mosque and the community facilities and activities provided by the charity. To assist in the smooth running of the charity the trustees have set up sub-committees that help them oversee certain aspects of the organization's work.

Appointment of trustees

In accordance with the constitution the general members elect 21 trustees for periods of four years.

Objectives

The objectives of the charity are set out in the charity's trust deed and are summarized as follows:

- To maintain and administer the Mosque as a place for religious worship in accordance with the beliefs and practices of Ahle Sunnat-Wal-Jamaat Brehlvi thought;
- To advance the religion of Islam in accordance with the beliefs and practices of Ahle Sunnat-Wal-Jamaat Brehlvi thought;
- To arrange for the conduct of religious worship and religious ceremonies relating to births, marriages and death;
- To advance Islamic education among the whole Muslim community of Luton both children and adults;
- To promote by such means as are charitable, racial and religious harmony and to foster good relations between Muslims of Luton and other racial ethnic and religious communities and organizations.

Activities and achievements

How our activities deliver public benefit

A wide range of activities are carried out in pursuance of its charitable aims. The trustees consider that these activities, summarized below, provide benefit both to those who worship at our Mosque and the wider community of Luton.

Islamic Cultural Society Luton Mosque

Religious activities

The Mosque provides facilities for prayers, worship and other activities associated with the Muslim faith. During the year under review we offer a range of religious services and activities.

Prayers: The Mosque is open for prayers five times a day and is well attended throughout the week.

Festivals: The organisation celebrates all the major events of the Islamic faith, including Ramadan, Eid-ul Adha and Eid-ul Fitr and the birth of Prophet Muhammed (Peace be upon him).

Other key activities of the centre include Funeral services, Civil marriage and Nikah, Quran classes, administration and advice on Zakat, programmed on the Quran, and Islamic awareness.

Community activity

Health seminars and consultations

Community English Teaching

Principal funding sources

The principal sources of funds for the centre are collections and donations from the membership and the general public.

Plans for the future period

The charity has obtained planning permission to construct a new building to extend its current facilities and services to its membership and the community.

Statement of Trustees' responsibilities

Trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP).

The 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 incoming resources and application of resources of charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are responsible and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in financial statements;
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will not continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that financial statements comply with the Charities Act 1993, The Charity (Accounts and Reports) Regulations

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2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence taking responsible steps for the prevention and detection of fraud and other irregularities.

The trustees for the purpose of charity law who served during the year and up to the date of this report are set out on page 1.

Approved by the trustees and signed on its behalf by:

Mohammed Shafait
President of Trustees

Date: September 05th, 2022

Islamic Cultural Society Luton Mosque

Statement of Financial Activities For the period 1 January 2021 to 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Incoming resources				
Incoming resources from generated funds:	3			
Voluntary income:				
Friday prayers		442,981	-	442,981
Others		341,942		341,942
		<u>784,923</u>	<u>-</u>	<u>784,923</u>
Investment income		30,100	-	30,100
Activities for generating funds		-	-	-
Income resources from charitable activities		-	-	-
Total incoming resources		<u>815,023</u>	<u>-</u>	<u>815,023</u>
Resources expended				
Cost of generating funds:		-	-	-
Charitable activities	4	397,685		397,685
Governance costs:		-	-	-
Total resources expended		<u>397,685</u>	<u>-</u>	<u>397,685</u>
Net movement in funds		417,338	-	417,338
Reconciliation of funds:				
Total funds brought forward		6,741,528	-	6,741,528
Total funds carried forward		<u>7,158,866</u>	<u>-</u>	<u>7,158,866</u>

Islamic Cultural Society Luton Mosque

Balance Sheet as at 31 December 2021

	Note	2021	
		£	£
Fixed assets			
Tangible assets	6		6,826,126
Current assets:			
Cash at bank and in hand		923,046	
Total Current assets		923,046	
Current liabilities			
Creditors falling due within one year	7	(533,849)	
Net current assets			389,197.06
Non Current Liabilities			
Creditors falling due after one year	8		(56,457)
Net assets			<u>7,158,866</u>
The funds of the charity:			
Unrestricted funds	10		7,158,866
General funds			
Total unrestricted funds			<u>7,158,866</u>
Restricted income funds			
Total charity funds:			<u><u>7,158,866</u></u>

The notes at pages 8 to 11 form part of these accounts

Approved by the trustees on date and signed on their behalf by:

Mohammed Saleem
Treasurer

Date: September 05th, 2022

Notes to financial statements

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in 2005 and applicable UK Accounting Standards and the Charities Act 1993.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal at any time and under the terms for public collection of Zakat in accordance with the teachings of Islam.

(c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations at Friday prayers and grants and is included in full in the statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from grants, where there are performances or services deliverables required by the terms of the grant, are accounted for as the charity earns the right to payment through its performance. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided are in the nature of professional services where a fee would otherwise be charged, in which the donated service is valued at their chargeable rate.

Investment income is included when receivable.

Incoming resources from charitable trading activity is accounted for when earned.

(d) Resources expended

Liabilities are recognized as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(f) Allocation of overhead and support costs

Supports costs include administrative cost for charitable activities.

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(g) Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

(h) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and at historic cost. Fixed assets are stated at cost less accumulated depreciation. The freehold property is valued at historic cost and it is not depreciated.

Asset category	Annual rate
Freehold land and buildings	nil
Fixtures and fittings	15%
Motor Vehicle	20%

2. Related party transactions and trustees' remuneration

Trustees received no emoluments (2020 £nil)

3. Incoming resources from voluntary income

	Unrestricted funds £	Restricted funds £	Total 2021 £
Friday collection	442,981	-	442,981
Other collection			
Children fee	99,852	-	99,852
Gift aid donation	49,980	-	49,980
Other Government Grants	4,000	-	4,000
Other income (other than Friday collection)	218,210	-	218,210
Flood donation, qurbani etc	-	-	0
Total	815,023	-	815,023

4. Charitable activities support costs

	Charitable activities £
Wages and salaries (including Employer NIC)	249,976
Water rates	594
Insurance	7,604
Gas & Electricity	33,089
Repairs and maintenance	64,855
Printing, postage and stationery	420
Telephone	2,061
Legal Fees	4,510
Accountancy	4,000
Advertisement	354
Motor Expense	837
Depreciation on Motor Vehicle	6,426
Depreciation on FF & equipments	22,646
Loss on sales of asset	313
	<u>397,685</u>

5. Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

6. Fixed Assets: tangible assets

	Freehold property £	Motor Vehicle £	Fixtures and fittings £	Total £
Cost/value				
At 1 January 2021	6,670,339	39,165	221,836	6,931,340
Additions	-	-	13,260	13,260
Disposals		(3,950)	-	(3,950)
At 31 December 2021	<u>6,670,339</u>	<u>35,215</u>	<u>235,096</u>	<u>6,940,650</u>
Depreciation				
At 1 January 2021	-	5,084	81,905	86,989
Charge for year	-	6,426	22,646	29,072
on Disposals		(1,537)		(1,537)
At 31 December 2021	<u>-</u>	<u>9,973</u>	<u>104,551</u>	<u>114,524</u>
Net Book Value				
At 31 December 2021	<u>6,670,339</u>	<u>25,242</u>	<u>130,545</u>	<u>6,826,126</u>

7. Analysis of creditors falling due within one year

	2021
	£
Qarz-e-Hasana	510,500
Paye	3,065
Accruals	20,284
	<u>533,849</u>

8. Analysis of creditors falling due after one year

	2021
	£
Death Committee Deposits	16,052
Funeral Services Deposits	40,405
	<u>56,457</u>

9. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2021
	£	£	£
Fixed assets	6,826,126	-	6,826,126
Current assets	923,365	-	923,365
Current liabilities	(533,849)	-	(533,849)
Non Current liabilities	(56,776)	-	(56,776)
	<u>7,158,866</u>	<u>-</u>	<u>7,158,866</u>

10. Analysis of charitable funds:

Analysis of Fund movements	Balance b/fwd	Incoming resources	Resources expended	Fund c/fwd
	£	£	£	£
Unrestricted funds:				
Unrestricted general funds	<u>6,741,528</u>	<u>815,023</u>	<u>(397,685)</u>	<u>7,158,866</u>

Independent Examiner's Report to trustees/members of Islamic Cultural Society Luton Mosque

We have examined the financial statements for the period 1 January 2021 to 31 December 2021 found on pages 6 to 11 which have been prepared on the basis of historic cost. The Trustees have confirmed that they do not hold any restricted funds and that all the funds are available to meet the charity's objectives.

Respective Responsibilities of Trustees and Examiner

The charity's trustees consider that an audit is not required for this year (under section 43 (2) of the Charities Act 1993) and that an independent examination is needed.

It is our responsibility to:

- Examine the accounts;
- Follow the procedures laid down in the General Directories given by the Charity Commission; and
- State whether particular matters have come to our attention.

Basis of Independent Examiner's Statement

Our examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the accounts.

Independent Examiner's Statement

In the course of our examination, no matter has come to our attention:

- 1) Which gives us reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that proper accounting records are kept (in accordance with section 41 of the Act) and accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act;
- 2) To which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- 3) To cause us to believe that the accounts do not accord with the records.

For emphasis

The Independent Examination carried out and reported on has been done TOTALLY FREE OF CHARGE. The accounting fees contained within the accounts solely relate to payroll services.

Independent Examiner's Name: Dr M S I Choudhury, PhD, FCA

Relevant professional qualification or body: ICAEW

Address: Windsor House, 9-15 Adelaide Street, Luton, LU1 5BJ

Date: September 05th, 2022

Approval of Accounts

We hereby approve the attached accounts for the period ended 31 December 2021 and confirm that we have supplied all the information and explanations required for these accounts.

Mohammed Saleem
Treasurer

Date: September 05th, 2022