

PURLEY ISLAMIC COMMUNITY CENTRE

England & Wales · Charity number 1146668

Details

Other names PICC

Status Registered

Legal form CIO

Registered 2012-03-29

Register [View on the Charity Commission register](#)

Contact

Address 130 Brighton Road
Purley
Surrey
CR8 4EX

Phone 0 7982 446062

Email management@purleymasjid.com

Website <http://www.purleymasjid.com>

Activities

Objects: 3. THE FOLLOWING OBJECTS ARE ESTABLISHED FOR THE PUBLIC BENEFIT:- 3.1) TO ADVANCE THE RELIGION OF ISLAM IN ACCORDANCE WITH THE TENETS AND DOCTRINES OF THE SUNNI AND HANAFI SCHOOL OF THOUGHT. 3.2) TO RELIEVE FINANCIAL HARDSHIP. 3.3) THE PROMOTION OF RACIAL HARMONY FOR THE PUBLIC BENEFIT BY:(A) PROMOTING KNOWLEDGE AND MUTUAL UNDERSTANDING BETWEEN THE MUSLIM AND OTHER COMMUNITIES;(B) ADVANCING EDUCATION AND RAISING AWARENESS ABOUT DIFFERENT RACIAL GROUPS TO PROMOTE GOOD RELATIONS BETWEEN PERSONS OF DIFFERENT RACIAL GROUPS; AND (C) WORKING TOWARDS THE ELIMINATION OF DISCRIMINATION ON THE GROUNDS OF RACE. 3.4) TO ADVANCE EDUCATION BY PROVIDING EDUCATIONAL FACILITIES FOR ADULTS AND CHILDREN. 3.5) TO ESTABLISH OR SECURE THE ESTABLISHMENT OF A COMMUNITY CENTRE AND TO MAINTAIN AND MANAGE THE SAME IN FURTHERANCE OF THESE OBJECTS.

Activities: The objects of the charity are to advance the religion of Islam in accordance with the tenants and doctrines of the Sunni and Hanafi School of thought. To relieve financial Hardship. Promotion of racial harmony. To advance education in Islam. To secure premises for the benefit of the community and the furtherance of the Objectives

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- Croydon

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	-	-	-	-
2024-05-31	£433,858	£176,770	-	-
2023-05-31	£558,794	£157,892	£2,809,329	1
2022-05-31	£370,969	£96,365	-	-
2021-05-31	£574,599	£77,321	£2,133,823	1
2020-05-31	£316,646	£76,554	-	-

Trustees

Name	Role	Appointed
Waqar Ahmad	Chair	2014-01-22
Ghazala Sattar		2026-04-23
Hassan Akhtar		2017-04-21
Khaja Yunus Sharif		2023-07-11
Mijanur Rahman		2025-06-02

PURLEY ISLAMIC COMMUNITY CENTRE

England & Wales - Charity number 1146668

Accounts

COMPANY REGISTRATION NUMBER: 06902369
CHARITY REGISTRATION NUMBER: 1146668

PURLEY ISLAMIC COMMUNITY CENTRE
Company Limited by Guarantee
Unaudited Financial Statements
31 May 2024

SALEEMI ASSOCIATES

Registered Auditors and Chartered Accountants
792 Wickham Road
Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Financial Statements

Year ended 31 May 2024

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PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 May 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 May 2024.

Reference and administrative details

Registered charity name PURLEY ISLAMIC COMMUNITY CENTRE

Charity registration number 1146668

Company registration number 06902369

Principal office and registered office 130 Brighton Road
Purley
CR8 4EX

The trustees

Mr Waqar Ahmed
Mr Khaja Yunus Sharif (Appointed 11 July 2023)
Mr Akhtar Choudhry
Mr Hafeez Bux Daud Khan

Company secretary Mr Akhtar Choudhry

Independent examiner Mohammad Saleemi (ICAEW)
Registered Auditors and Chartered Accountants
792 Wickham Road
Croydon
CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2024

Structure, governance and management

Purley Islamic Community Centre is a company limited by guarantee (incorporated on 11 May 2009) and a registered charity in England (number 1146668, registered on 29 March 2012) governed by its Memorandum and Articles of Association.

Trustees of the Charity are nominated and appointed in accordance with the terms set out in the Articles of Association.

Objectives and activities

The objects of the charity are: -

- To uphold and preserve the religion of Islam in accordance with the tenets and doctrines of the Sunni and Hanafi school of thought

- To promote harmony and understanding between the Muslim community and other Faith communities

- To provide educational facilities for adults and children

- To establish and run a community centre and a prayer facility in Purley in furtherance of the aforementioned objects

- To purchase land and property in furtherance of the above objectives

- To assist financially and / or otherwise members of the community in need

- To work in cooperation and to coordinate with other similar organisations

- To seek financial assistance from the community in furtherance of the above objectives

- To make the building and operations as environmentally friendly as possible bearing in mind the cost benefit analysis

Achievements and performance

The year ending 31 May 2024 marked a period of sustained progress in advancing our mission to construct a new Purley Masjid at its original site. Despite having less emphasis on large-scale fundraising efforts this year compared to previous years, we still achieved significant contributions to the restricted funds allocated for the masjid rebuild as well as unrestricted funds. Weekly community collections continued to play a central role in our fundraising activities, complemented by smaller, targeted campaigns that maintained community engagement and support.

A notable milestone during the year was the completion of the basement of the new masjid—the most technically challenging aspect of the construction. This critical phase ensured the structural stability necessary to support a six-floor structure. The basement was built to be watertight, with proper drainage systems installed and fire safety as a top priority to ensure the masjid will be a safe place for all its users. The outer and interior partition walls for the first and ground floors have also been completed, and the construction continues to grow taller, bringing us closer to realising our vision. The new masjid has been constructed using insulated concrete form (ICF), a state-of-the-art building

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2024

technique that ensures excellent insulation and significantly reduces the building's carbon footprint. Plans for the masjid also include the installation of air-source heat pumps and solar panels, further enhancing its sustainability and eco-friendly design. Beyond the construction, we have expanded our community impact through partnerships and charitable initiatives. We collaborated with the National Zakat Foundation (NZF) to provide weekly support to the most vulnerable members of our community, making a meaningful difference in their lives. Furthermore, we supported several other charities to raise funds for people suffering worldwide due to natural disasters, such as earthquakes and floods, as well as conflicts and wars.

Financial review

During the financial year, the charity generated an unrestricted income of £193,130, representing a 20% reduction compared to the previous year. This reduction can be attributed to multiple factors. We focused on smaller initiatives to sustain fundraising for the masjid construction and supported other charitable collections at the masjid for fund raising initiatives throughout the UK and the world.

Restricted income, designated for specific purposes such as the masjid rebuild, totalled £240,728. While this is a reduction from the previous year's £318,286, it reflects the continued strength of pledged contributions gradually coming in. Total gross income, including endowments, decreased to £433,858 from £558,794 in the prior year, consistent with the above factors.

Expenditure for the year remained stable, with total costs recorded at £176,770 compared to £157,892 in the previous year. This reflects costs associated with leasing the temporary premises and operational expenses. Despite these challenges, the charity maintained a healthy unrestricted reserve balance, providing sufficient working capital for the next 12 to 18 months.

The primary sources of funding continue to be Friday and Ramadan collections, as well as general donations. These contributions are vital in supporting both the day-to-day operations and the strategic objectives of the charity.

Plans for future periods

Looking ahead, we aim to complete the masjid project by the end of 2025. Once completed, the new facility will provide an adequate and comfortable space for our daily prayer needs as well as a wide range of activities, including youth clubs, children's educational classes, baby and toddler groups, talks and events and much more. This vision underscores our commitment to creating a vibrant and inclusive community hub.

Acknowledgements

Finally, we extend our heartfelt gratitude to our contributors, partners, donors and volunteers for their continued and unwavering support. Their generosity and dedication have been instrumental

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 27/2/25..... and signed on behalf of the board of trustees by:



Mr Waqar Ahmed
Trustee



Mr Hafeez Bux Daud Khan
Trustee

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE

Year ended 31 May 2024

I report to the trustees on my examination of the financial statements of PURLEY ISLAMIC COMMUNITY CENTRE ('the charity') for the year ended 31 May 2024.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Mohammad Saleemi
Chartered Accountant (ICAEW)
Saleemi Associates
792 Wickham Road
Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 May 2024

		2024	2023		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	126,305	240,728	367,033	498,242
Charitable activities	6	35,928	–	35,928	38,414
Other trading activities	7	30,897	–	30,897	22,138
Total income		<u>193,130</u>	<u>240,728</u>	<u>433,858</u>	<u>558,794</u>
Expenditure					
Expenditure on charitable activities	8,9	133,060	43,709	176,770	157,892
Total expenditure		<u>133,060</u>	<u>43,709</u>	<u>176,770</u>	<u>157,892</u>
Net income and net movement in funds		<u>60,070</u>	<u>197,019</u>	<u>257,088</u>	<u>400,902</u>
Reconciliation of funds					
Total funds brought forward		607,241	2,202,088	2,809,329	2,408,427
Total funds carried forward		<u>667,311</u>	<u>2,399,107</u>	<u>3,066,418</u>	<u>2,809,329</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 8 to 15 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Position

31 May 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	14	1,715,957	1,503,808
Current assets			
Cash at bank and in hand		1,420,305	1,323,308
Creditors: amounts falling due within one year	15	<u>69,845</u>	<u>17,785</u>
Net current assets		<u>1,350,460</u>	<u>1,305,523</u>
Total assets less current liabilities		<u>3,066,417</u>	<u>2,809,329</u>
Net assets		<u>3,066,417</u>	<u>2,809,329</u>
Funds of the charity			
Restricted funds		2,399,107	2,202,088
Unrestricted funds		<u>667,311</u>	<u>607,241</u>
Total charity funds		<u>3,066,418</u>	<u>2,809,329</u>

For the year ending 31 May 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 27/2/25....., and are signed on behalf of the board by:



Mr Waqar Ahmed
Trustee



Mr Hafeez Bux Daud Khan
Trustee

The notes on pages 8 to 15 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 May 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income	257,088	400,902
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	–	5,434
Accrued expenses/(income)	52,060	(11,839)
<i>Changes in:</i>		
Trade and other debtors	–	26,596
Cash generated from operations	<u>309,148</u>	<u>421,093</u>
Net cash from operating activities	<u>309,148</u>	<u>421,093</u>
Cash flows from investing activities		
Purchase of tangible assets	(212,151)	(225,875)
Net cash used in investing activities	<u>(212,151)</u>	<u>(225,875)</u>
Net increase in cash and cash equivalents	96,997	195,218
Cash and cash equivalents at beginning of year	1,323,308	1,128,090
Cash and cash equivalents at end of year	<u>1,420,305</u>	<u>1,323,308</u>

The notes on pages 8 to 15 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 May 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 130 Brighton Road, Purley, CR8 4EX.

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 Companies Act 2006.

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 trustees 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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 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

All fixed assets are initially recorded at cost.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

3. Accounting policies *(continued)*

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:

Fixtures & fittings - 25% 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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 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. Limited by guarantee

The Charity is a registered in Companies House as Company limited by guarantee and has no share capital. Every member of the Charity undertakes to contribute such amount as may be required (not exceeding 10 (pounds)) to the Charity's assets if it should be wound up while he or she is a member or within a year after he or she ceases to be member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	126,305	240,728	367,033
Gift Aid	—	—	—
	<u>126,305</u>	<u>240,728</u>	<u>367,033</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	172,767	318,286	491,053
Gift Aid	7,189	–	7,189
	<u>179,956</u>	<u>318,286</u>	<u>498,242</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Income from charitable activities and events	<u>35,928</u>	<u>35,928</u>	<u>38,414</u>	<u>38,414</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Membership fees	20	20	–	–
Rental income from sub-letting	17,240	17,240	22,138	22,138
Other income	10,000	10,000	–	–
Sundry income	3,637	3,637	–	–
	<u>30,897</u>	<u>30,897</u>	<u>22,138</u>	<u>22,138</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Expenditure on charitable activities	130,634	43,709	174,343
Support costs	2,426	–	2,426
	<u>133,060</u>	<u>43,709</u>	<u>176,770</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Expenditure on charitable activities	145,565	9,900	155,465
Support costs	2,427	–	2,427
	<u>147,992</u>	<u>9,900</u>	<u>157,892</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Expenditure on charitable activities	174,343	–	174,343	155,465
Governance costs	–	2,426	2,426	2,427
	<u>174,343</u>	<u>2,427</u>	<u>176,770</u>	<u>157,892</u>

10. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	<u>–</u>	<u>5,434</u>

11. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,000</u>	<u>2,000</u>

12. Staff costs

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

	2024 £	2023 £
Wages and salaries	23,472	22,441
Employer contributions to pension plans	1,589	836
	<u>25,061</u>	<u>23,277</u>

The average head count of employees during the year was 1 (2023: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Number of staff	<u>1</u>	<u>1</u>

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

13. Trustee remuneration and expenses

None of the trustee or management committee member were remunerated or paid any expenses.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2024

14. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2023	1,503,806	33,479	1,537,285
Additions	212,151	–	212,151
At 31 May 2024	1,715,957	33,479	1,749,436
Depreciation			
At 1 June 2023 and 31 May 2024	–	33,479	33,479
Carrying amount			
At 31 May 2024	1,715,957	–	1,715,957
At 31 May 2023	1,503,806	–	1,503,806

15. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	69,845	17,785

16. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,589 (2023: £836).

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	–	1,715,957	1,715,957
Current assets	672,385	747,920	1,420,305
Creditors less than 1 year	(5,075)	(64,770)	(69,845)
Net assets	667,311	2,399,107	3,066,418
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	–	1,503,806	1,503,806
Current assets	620,026	703,282	1,323,308
Creditors less than 1 year	(17,785)	–	(17,785)
Net assets	602,241	2,207,088	2,809,329

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 May 2024

18. Analysis of changes in net debt

	At 1 Jun 2023 £	Cash flows £	At 31 May 2024 £
Cash at bank and in hand	<u>1,323,308</u>	<u>96,997</u>	<u>1,420,305</u>

19. Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

PURLEY ISLAMIC COMMUNITY CENTRE

England & Wales - Charity number 1146668

Accounts

COMPANY REGISTRATION NUMBER: 06902369
CHARITY REGISTRATION NUMBER: 1146668

PURLEY ISLAMIC COMMUNITY CENTRE
Company Limited by Guarantee
Unaudited Financial Statements
31 May 2023

SALEEMI ASSOCIATES
Registered Auditors and Chartered Accountants
792 Wickham Road
Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Financial Statements

Year ended 31 May 2023

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PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 May 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 May 2023.

Reference and administrative details

Registered charity name	PURLEY ISLAMIC COMMUNITY CENTRE
Charity registration number	1146668
Company registration number	06902369
Principal office and registered office	130 Brighton Road Purley CR8 4EX
The trustees	Mr Waqar Ahmed Mr Akhtar Choudhry Mr Hafeez Bux Daud Khan
Company secretary	Mr Akhtar Choudhry
Independent examiner	Mohammad Saleemi Chartered Accountant (ICAEW) Saleemi Associates Registered Auditors and Chartered Accountants 792 Wickham Road Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2023

Structure, governance and management

Purley Islamic Community Centre is a company limited by guarantee (incorporated on 11 May 2009) and a registered charity in England (number 1146668, registered on 29 March 2012) governed by its Memorandum and Articles of Association.

Trustees of the Charity are nominated and appointed in accordance with the terms set out in the Articles of Association.

Objectives and activities

The objects of the charity are: -

- To uphold and preserve the religion of Islam in accordance with the tenets and doctrines of the Sunni and Hanafi school of thought
- To promote harmony and understanding between the Muslim community and other Faith communities
- To provide educational facilities for adults and children
- To establish and run a community centre and a prayer facility in Purley in furtherance of the aforementioned objects
- To purchase land and property in furtherance of the above objectives
- To assist financially and / or otherwise members of the community in need
- To work in cooperation and to coordinate with other similar organisations
- To seek financial assistance from the community in furtherance of the above objectives
- To make the building and operations as environmentally friendly as possible bearing in mind the cost benefit analysis

Achievements and performance

The year to 31 May 2023 was a year of continued progress on raising funds for the building of a new Purley Masjid at our original site and of continued and expanded activities at our temporary site. We continued our weekly collections from the community but also made a strong push to raise funds for the building of the new Purley Masjid which is reflected in the strong growth in our restricted income.

The demolition of our old premises completed in the year and the beginning of the new build was started.

We continued to provide the community with all our regular classes and services from the new temporary location.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2023

Financial review

Unrestricted Income for the year was £240,508 which is a 9% decline from the prior year but still a strong year given the change from our usual premises to a temporary location.

Restricted income, which can only be used for specific purposes which includes amongst others the building of the new masjid, rose strongly to £318,286 from £106,213 due to the generous contributions from the community.

Gross income including income endowments has increased to £558,794 from £370,969 in 2022 for reasons explained above.

Total expenses increased to £157,892 from £96,365 reflecting costs linked to the moving to new leased premises including the rent payable.

The increase in income in 2023 is due to fund raising activities linked to the building of the new masjid.

The charity has a reasonable unrestricted reserve balance. This along with the anticipated collections on Friday gives it sufficient working capital for the next 12-18 months.

The principal source of funds is through collections on Friday and Ramadhan and donations.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28th Feb 2024 and signed on behalf of the board of trustees by:



Mr Waqar Ahmed
Trustee



Mr Hafeez Bux Daud Khan
Trustee

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE

Year ended 31 May 2023

I report to the trustees on my examination of the financial statements of PURLEY ISLAMIC COMMUNITY CENTRE ('the charity') for the year ended 31 May 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE *(continued)*

Year ended 31 May 2023

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.



Mohammad Saleemi
Chartered Accountant (ICAEW)
Saleemi Associates
792 Wickham Road
Croydon CR0 8EA

Date : 28th Feb 2024

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 May 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	179,956	318,286	498,242	333,839
Charitable activities	6	38,414	–	38,414	35,158
Other trading activities	7	22,138	–	22,138	1,972
Total income		<u>240,508</u>	<u>318,286</u>	<u>558,794</u>	<u>370,969</u>
Expenditure					
Expenditure on charitable activities	8,9	147,992	9,900	157,892	96,365
Total expenditure		<u>147,992</u>	<u>9,900</u>	<u>157,892</u>	<u>96,365</u>
Net income and net movement in funds		<u>92,516</u>	<u>308,386</u>	<u>400,902</u>	<u>274,604</u>
Reconciliation of funds					
Total funds brought forward		514,725	1,893,702	2,408,427	2,133,823
Total funds carried forward		<u>607,241</u>	<u>2,202,088</u>	<u>2,809,329</u>	<u>2,408,427</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 9 to 16 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Position

31 May 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	14	1,503,806	1,283,365
Current assets			
Debtors	15	–	26,596
Cash at bank and in hand		1,323,308	1,128,090
		<u>1,323,308</u>	<u>1,154,686</u>
Creditors: amounts falling due within one year	16	<u>17,785</u>	<u>29,624</u>
Net current assets		1,305,523	1,125,062
Total assets less current liabilities		2,809,329	2,408,427
Net assets		2,809,329	2,408,427
Funds of the charity			
Restricted funds		2,202,088	1,893,702
Unrestricted funds		607,241	514,725
Total charity funds		2,809,329	2,408,427

For the year ending 31 May 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 28th Feb 2024, and are signed on behalf of the board by:

Mr Waqar Ahmed
Trustee

Mr Hafeez Bux Daud Khan
Trustee

The notes on pages 9 to 16 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 May 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income	400,902	274,604
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	5,434	1,812
Accrued (income)/expenses	(11,839)	29,624
<i>Changes in:</i>		
Trade and other debtors	26,596	1,616
Trade and other creditors	—	(12,652)
Cash generated from operations	<u>421,093</u>	<u>295,004</u>
Net cash from operating activities	<u>421,093</u>	<u>295,004</u>
Cash flows from investing activities		
Purchase of tangible assets	(225,875)	(43,514)
Net cash used in investing activities	<u>(225,875)</u>	<u>(43,514)</u>
Net increase in cash and cash equivalents	195,218	251,490
Cash and cash equivalents at beginning of year	1,128,090	876,600
Cash and cash equivalents at end of year	<u>1,323,308</u>	<u>1,128,090</u>

The notes on pages 9 to 16 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 May 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 130 Brighton Road, Purley, CR8 4EX.

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 Companies Act 2006.

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 trustees 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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

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

All fixed assets are initially recorded at cost.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

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:

Fixtures & fittings - 25% 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.

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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

The Charity is a registered in Companies House as Company limited by guarantee and has no share capital. Every member of the Charity undertakes to contribute such amount as may be required (not exceeding 10 (pounds)) to the Charity's assets if it should be wound up while he or she is a member or within a year after he or she ceases to be member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	172,767	318,286	491,053
Gift Aid	7,189	—	7,189
	<u>179,956</u>	<u>318,286</u>	<u>498,242</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	227,626	106,213	333,839
Gift Aid	—	—	—
	<u>227,626</u>	<u>106,213</u>	<u>333,839</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from charitable activities and events	38,414	38,414	35,158	35,158

7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Rental income from sub-letting	22,138	22,138	1,972	1,972

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Expenditure on charitable activities	145,565	9,900	155,465
Support costs	2,427	—	2,427
	<u>147,992</u>	<u>9,900</u>	<u>157,892</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Expenditure on charitable activities	94,365	—	94,365
Support costs	2,000	—	2,000
	<u>96,365</u>	<u>—</u>	<u>96,365</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Expenditure on charitable activities	155,465	—	155,465	94,365
Governance costs	—	2,427	2,427	2,000
	<u>155,465</u>	<u>2,427</u>	<u>157,892</u>	<u>96,365</u>

10. Net income

Net income is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	5,434	1,812

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

11. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,000</u>	<u>2,000</u>

12. Staff costs

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

	2023 £	2022 £
Wages and salaries	22,441	21,516
Employer contributions to pension plans	836	645
	<u>23,277</u>	<u>22,161</u>

The average head count of employees during the year was 1 (2022:1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

None of the trustee or management committee member were remunerated or paid any expenses.

14. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2022	1,277,931	33,479	1,311,410
Additions	225,875	–	225,875
At 31 May 2023	<u>1,503,806</u>	<u>33,479</u>	<u>1,537,285</u>
Depreciation			
At 1 June 2022	–	28,045	28,045
Charge for the year	–	5,434	5,434
At 31 May 2023	<u>–</u>	<u>33,479</u>	<u>33,479</u>
Carrying amount			
At 31 May 2023	<u>1,503,806</u>	<u>–</u>	<u>1,503,806</u>
At 31 May 2022	<u>1,277,931</u>	<u>5,434</u>	<u>1,283,365</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

15. Debtors

	2023 £	2022 £
Other debtors	–	26,596

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	17,785	29,624

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £836 (2022: £645).

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	–	1,503,806	1,503,806
Current assets	620,026	703,282	1,323,308
Creditors less than 1 year	(17,785)	–	(17,785)
Net assets	602,241	2,207,088	2,809,329

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	5,434	1,277,931	1,283,365
Current assets	538,915	615,771	1,154,686
Creditors less than 1 year	(29,624)	–	(29,624)
Net assets	514,725	1,893,702	2,408,427

19. Analysis of changes in net debt

	At 1 Jun 2022 £	Cash flows £	At 31 May 2023 £
Cash at bank and in hand	1,128,090	195,218	1,323,308

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

20. Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

PURLEY ISLAMIC COMMUNITY CENTRE

England & Wales - Charity number 1146668

Accounts

COMPANY REGISTRATION NUMBER: 06902369
CHARITY REGISTRATION NUMBER: 1146668

PURLEY ISLAMIC COMMUNITY CENTRE
Company Limited by Guarantee
Unaudited Financial Statements
31 May 2022

SALEEMI ASSOCIATES

Chartered accountants
Registered Auditors and Chartered Accountants
792 Wickham Road

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Financial Statements

Year ended 31 May 2022

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PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 May 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 May 2022.

Reference and administrative details

Registered charity name	PURLEY ISLAMIC COMMUNITY CENTRE
Charity registration number	1146668
Company registration number	06902369
Principal office and registered office	63 Whytecliffe Road South Purley CR8 2AZ

The trustees

Mr Waqar Ahmed	
Mr Akhtar Choudhry	
Mr Hafeez Bux Daud Khan	(Appointed 6 February 2022)

Company secretary	Mr Akhtar Choudhry
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Independent examiner	Saleemi Associates Registered Auditors and Chartered Accountants 792 Wickham Road Croydon CR0 8EA
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PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 May 2022

Structure, governance and management

Purley Islamic Community Centre is a company limited by guarantee (incorporated on 11 May 2009) and a registered charity in England (number 1146668, registered on 29 March 2012) governed by its Memorandum and Articles of Association.

Trustees of the Charity are nominated and appointed in accordance with the terms set out in the Articles of Association.

Objectives and activities

The objects of the charity are: -

- To uphold and preserve the religion of Islam in accordance with the tenets and doctrines of the Sunni and Hanafi school of thought
- To promote harmony and understanding between the Muslim community and other Faith communities
- To provide educational facilities for adults and children
- To establish and run a community centre and a prayer facility in Purley in furtherance of the aforementioned objects
- To purchase land and property in furtherance of the above objectives
- To assist financially and / or otherwise members of the community in need
- To work in cooperation and to coordinate with other similar organisations
- To seek financial assistance from the community in furtherance of the above objectives
- To make the building and operations as environmentally friendly as possible bearing in mind the cost benefit analysis

Achievements and performance

2021 – 2022 saw a full year of 'normal' operations after the restrictions of Covid 19 were lifted.

Financial review

Donation Income for the year was £370,969

Expenses were £96,365

Gross income including income from interest and investments has decreased from £574,599 in 2021 to £370,969. The decrease in income in 2022 is due to an exceptional donation in 2021.

The total expenditure increased slightly from £77,321 in 2021 to £96,365.

The charity has a reasonable unrestricted reserve balance. This along with the anticipated collections on Friday gives it sufficient working capital for the next 12-18 months.

The principal source of funds is through collections on Friday and Ramadhan and donations.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2022

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 31 March 2023 and signed on behalf of the board of trustees by:



Mr Waqar Ahmed
Trustee



Mr Hafeez Bux Daud Khan
Trustee

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE

Year ended 31 May 2022

I report to the trustees on my examination of the financial statements of PURLEY ISLAMIC COMMUNITY CENTRE ('the charity') for the year ended 31 May 2022.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountant, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

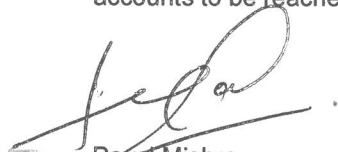
PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE *(continued)*

Year ended 31 May 2022

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.



Payal Mishra
Chartered Certified Accountant (FCCA)
Saleemi Associates
792 Wickham Road
Croydon CR0 8EA
Independent Examiner

Date: 31 March 2023

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 May 2022

		2022	2021		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	264,756	106,213	370,969	574,569
Investment income	6	—	—	—	30
Total income		<u>264,756</u>	<u>106,213</u>	<u>370,969</u>	<u>574,599</u>
Expenditure					
Expenditure on charitable activities	7,8	96,365	—	96,365	77,321
Total expenditure		<u>96,365</u>	<u>—</u>	<u>96,365</u>	<u>77,321</u>
Net income and net movement in funds		<u>168,391</u>	<u>106,213</u>	<u>274,604</u>	<u>497,278</u>
Reconciliation of funds					
Total funds brought forward		346,334	1,787,489	2,133,823	1,636,545
Total funds carried forward		<u>514,725</u>	<u>1,893,702</u>	<u>2,408,427</u>	<u>2,133,823</u>

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

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Position

31 May 2022

	Note	2022		2021
		£	£	£
Fixed assets				
Tangible fixed assets	13		1,283,365	1,241,663
Current assets				
Debtors	14	26,596		28,212
Cash at bank and in hand		1,128,090		876,600
		<u>1,154,686</u>		<u>904,812</u>
Creditors: amounts falling due within one year	15	<u>29,624</u>		<u>12,652</u>
Net current assets			<u>1,125,062</u>	<u>892,160</u>
Total assets less current liabilities			<u>2,408,427</u>	<u>2,133,823</u>
Funds of the charity				
Restricted funds			1,893,702	1,787,489
Unrestricted funds			514,725	346,334
Total charity funds			<u>2,408,427</u>	<u>2,133,823</u>

For the year ending 31 May 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 31 March 2023, and are signed on behalf of the board by:

Mr Waqar Ahmed
Trustee

Mr Hafeez Bux Daud Khan
Trustee

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 May 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 63 Whytecliffe Road South, Purley, CR8 2AZ.

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 Companies Act 2006.

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 trustees 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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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

All fixed assets are initially recorded at cost.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

3. Accounting policies *(continued)*

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:

Fixtures & fittings - 25% 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.

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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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. Limited by guarantee

The Charity is a registered in Companies House as Company limited by guarantee and has no share capital. Every member of the Charity undertakes to contribute such amount as may be required (not exceeding 10 (pounds)) to the Charity's assets if it should be wound up while he or she is a member or within a year after he or she ceases to be member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	<u>264,756</u>	<u>106,213</u>	<u>370,969</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	<u>94,797</u>	<u>479,772</u>	<u>574,569</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
HMRC interest receivable	<u>—</u>	<u>—</u>	<u>30</u>	<u>30</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Expenditure on charitable activities	94,365	94,365	77,321	77,321
Auditors fee (donated)	2,000	2,000	—	—
	<u>96,365</u>	<u>96,365</u>	<u>77,321</u>	<u>77,321</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Expenditure on charitable activities	94,365	—	94,365	77,321
Governance costs	—	2,000	2,000	—
	<u>94,365</u>	<u>2,000</u>	<u>96,365</u>	<u>77,321</u>

9. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>1,812</u>	<u>2,416</u>

10. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,000</u>	<u>2,000</u>

11. Staff costs

	2022 £	2021 £
Wages and salaries	21,516	22,730
Employer contributions to pension plans	645	634
	<u>22,161</u>	<u>23,364</u>

The average head count of employees during the year was 1 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

12. Trustee remuneration and expenses

None of the trustee or management committee member were remunerated or paid any expenses.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2021	1,234,417	33,479	1,267,896
Additions	43,514	–	43,514
At 31 May 2022	1,277,931	33,479	1,311,410
Depreciation			
At 1 June 2021	–	26,233	26,233
Charge for the year	–	1,812	1,812
At 31 May 2022	–	28,045	28,045
Carrying amount			
At 31 May 2022	1,277,931	5,434	1,283,365
At 31 May 2021	1,234,417	7,246	1,241,663

14. Debtors

	2022 £	2021 £
Other debtors	26,596	28,212

15. Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	29,624	12,652

16. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £645 (2021: £634).

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	5,434	1,277,931	1,283,365
Current assets	538,915	615,771	1,154,686
Creditors less than 1 year	(29,624)	–	(29,624)
Net assets	<u>514,725</u>	<u>1,893,702</u>	<u>2,408,427</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	7,246	1,234,417	1,241,663
Current assets	351,740	553,072	904,812
Creditors less than 1 year	(12,652)	–	(12,652)
Net assets	<u>346,334</u>	<u>1,787,489</u>	<u>2,133,823</u>

18. Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

PURLEY ISLAMIC COMMUNITY CENTRE

England & Wales - Charity number 1146668

Accounts

COMPANY REGISTRATION NUMBER: 06902369
CHARITY REGISTRATION NUMBER: 1146668

PURLEY ISLAMIC COMMUNITY CENTRE
Company Limited by Guarantee
Unaudited Financial Statements
31 May 2021

SALEEMI ASSOCIATES

Chartered accountants
Registered Auditors and Chartered Accountants
792 Wickham Road
Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Financial Statements

Year ended 31 May 2021

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Independent examiner's report to the trustees	4
Statement of financial activities (including income and expenditure account)	5
Statement of financial position	6
Notes to the financial statements	7

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 May 2021.

Reference and administrative details

Registered charity name PURLEY ISLAMIC COMMUNITY CENTRE

Charity registration number 1146668

Company registration number 06902369

Principal office and registered office 63 Whytecliffe Road South
Purley
CR8 2AZ

The trustees

Mr Waqar Ahmed
Mr Akhtar Choudhry
Dr Mohammed Irfan (Resigned 9 December 2020)
Mr Hafeez Bux Daud Khan (Joined 22 February 2022)

Company secretary Mr Akhtar Choudhry

Independent examiner Saleemi Associates
Chartered Accountants and Registered Auditors
792 Wickham Road
Croydon CR0 8EA

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2021

Structure, governance and management

Purley Islamic Community Centre is a company limited by guarantee (incorporated on 11 May 2009) and a registered charity in England (number 1146668, registered on 29 March 2012) governed by its Memorandum and Articles of Association.

Trustees of the Charity are nominated and appointed in accordance with the terms set out in the Articles of Association.

Objectives and activities

The objects of the charity are: -

- To uphold and preserve the religion of Islam in accordance with the tenets and doctrines of the Sunni and Hanafi school of thought
- To promote harmony and understanding between the Muslim community and other Faith communities
- To provide educational facilities for adults and children
- To establish and run a community center and a prayer facility in Purley in furtherance of the aforementioned objects
- To purchase land and property in furtherance of the above objectives
- To assist financially and / or otherwise members of the community in need
- To work in cooperation and to coordinate with other similar organisations
- To seek financial assistance from the community in furtherance of the above objectives

Achievements and performance:-

2020 – 2021 was a challenging year for the Masjid. After initially having to close the Masjid we re-opened but with limited capacity due to the Covid restrictions and social distancing rules imposed by the government. More volunteers were needed to run the Jumu'ah prayers which went from our regular 2 jamaats to 4 and a booking system was implemented. Madrasa went online and many of the lectures and other classes were halted. It was a challenge to keep the masjid operation and was only because of the hard work and efforts of the management and volunteers that we were able to do so. With the community being forced to stay home from school and work it was even important that the Masjid was seen as a symbol of hope. It was very sad to hear the news of people passing away day by day. The Iman, Shaykh Suliman Gani, was very busy as the Chaplain of St Georges Hospital as he has to attend many of the patients in hospital and also many funerals.

Financial review

Income for the year was £574,599 and expenses were £77,321. Gross income including income from interest and investments has increased from £316,646 in 2019 to £574,599. The increase in income is due to a higher level of donations.

The total expenditure increased slightly from £76,554 in 2020 to £77,321.

The charity has a reasonable unrestricted reserve balance of £346,334. This along with the anticipated collections on Friday gives it sufficient working capital for the next 12-18 months. The principal source of funds is through collections on Friday and Ramadhan and donations.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 May 2021

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on ..22/3/22..... and signed on behalf of the board of trustees by:



Mr Waqar Ahmed
Trustee



Mr Hafeez Bux Daud Khan
Trustee

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of PURLEY ISLAMIC COMMUNITY CENTRE *(continued)*

Year ended 31 May 2021

I report to the trustees on my examination of the financial statements of PURLEY ISLAMIC COMMUNITY CENTRE ('the charity') for the year ended 31 May 2021.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Mohammad Saleemi
Chartered Accountant (ICAEW)
Saleemi Associates
792 Wickham Road
Croydon CR0 8EA

Date :.....

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 May 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	94,797	479,772	574,569	316,623
Investment income	6	30	–	30	23
Total income		<u>94,827</u>	<u>479,772</u>	<u>574,599</u>	<u>316,646</u>
Expenditure					
Expenditure on charitable activities	7,8	77,321	–	77,321	76,554
Total expenditure		<u>77,321</u>	<u>–</u>	<u>77,321</u>	<u>76,554</u>
Net income and net movement in funds		<u>17,506</u>	<u>479,772</u>	<u>497,278</u>	<u>240,092</u>
Reconciliation of funds					
Total funds brought forward		328,828	1,307,717	1,636,545	1,396,453
Total funds carried forward		<u>346,334</u>	<u>1,787,489</u>	<u>2,133,823</u>	<u>1,636,545</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 7 to 12 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Statement of Financial Position

31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	12	1,241,663	1,241,975
Current assets			
Debtors	13	28,212	32,441
Cash at bank and in hand		876,600	378,335
		<u>904,812</u>	<u>410,776</u>
Creditors: amounts falling due within one year	14	<u>12,652</u>	<u>16,206</u>
Net current assets		<u>892,160</u>	<u>394,570</u>
Total assets less current liabilities		<u>2,133,823</u>	<u>1,636,545</u>
Funds of the charity			
Restricted funds		1,787,489	1,551,488
Unrestricted funds		346,334	85,057
Total charity funds		<u>2,133,823</u>	<u>1,636,545</u>

For the year ending 31 May 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on ...22/3/22....., and are signed on behalf of the board by:

Mr Waqar Ahmed
Trustee

Mr Hafeez Bux Daud Khan
Trustee

The notes on pages 7 to 12 form part of these financial statements.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 63 Whytecliffe Road South, Purley, CR8 2AZ.

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 Companies Act 2006.

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.

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.

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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

- 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

All fixed assets are initially recorded at cost.

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:

Fixtures & fittings	-	25% reducing balance
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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.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

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.

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. Limited by guarantee

The Charity is registered in Companies House as Company limited by guarantee and has no share capital. Every member of the Charity undertakes to contribute such amount as may be required (not exceeding 10 (pounds)) to the Charity's assets if it should be wound up while he or she is a member or within a year after he or she ceases to be member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	<u>94,797</u>	<u>479,772</u>	<u>574,569</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	<u>72,852</u>	<u>243,771</u>	<u>316,623</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
HMRC interest receivable	<u>30</u>	<u>30</u>	<u>23</u>	<u>23</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Expenditure on charitable activities	<u>77,321</u>	<u>77,321</u>	<u>76,554</u>	<u>76,554</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Expenditure on charitable activities	<u>77,321</u>	<u>77,321</u>	<u>76,554</u>

9. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>2,416</u>	<u>3,221</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

10. Staff costs

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

	2021	2020
	£	£
Wages and salaries	22,730	20,471
Employer contributions to pension plans	634	656
	<u>23,364</u>	<u>21,127</u>

The average head count of employees during the year was 1 (2020: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of staff	<u>1</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

11. Trustee remuneration and expenses

None of the trustee or management committee member were remunerated or paid any expenses.

12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 June 2020	1,232,313	33,479	1,265,792
Additions	2,104	–	2,104
At 31 May 2021	<u>1,234,417</u>	<u>33,479</u>	<u>1,267,896</u>
Depreciation			
At 1 June 2020	–	23,817	23,817
Charge for the year	–	2,416	2,416
At 31 May 2021	<u>–</u>	<u>26,233</u>	<u>26,233</u>
Carrying amount			
At 31 May 2021	<u>1,234,417</u>	<u>7,246</u>	<u>1,241,663</u>
At 31 May 2020	<u>1,232,313</u>	<u>9,662</u>	<u>1,241,975</u>

13. Debtors

	2021	2020
	£	£
Other debtors	<u>28,212</u>	<u>32,441</u>

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	<u>12,652</u>	<u>16,206</u>

PURLEY ISLAMIC COMMUNITY CENTRE

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 May 2021

15. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	7,246	1,234,417	1,241,663
Current assets	396,828	507,984	904,812
Creditors less than 1 year	(12,652)	–	(12,652)
Net assets	391,422	1,742,401	2,133,823

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	9,662	1,232,313	1,241,975
Current assets	91,601	319,175	410,776
Creditors less than 1 year	(16,206)	–	(16,206)
Net assets	85,057	1,551,488	1,636,545

16. Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.