

Charity registration number: 1163192

Anjuman-e-Zainee (Croydon)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Embee Oak Ltd
Chartered Accountants & Statutory Auditors
Basing House
46 High Street
Rickmansworth
Herts
WD3 1HP

Anjuman-e-Zainee (Croydon)

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 4
Statement of Trustees' Responsibilities	5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 15

Anjuman-e-Zainee (Croydon)

Reference and Administrative Details

Trustees

Al-Anwar Bhaisaheb Bin Shahzada Badruddin (President)
Shaikh Hussein Bhai Mulla Hatimali Ghor (Hon. Secretary)
Shaikh Alihussein Ghor (Hon. Treasurer)
Shaikh Asghar Bhai Hussain
Shaikh Shaukatali Huseinbhai Dungarwalla
Shaikh Mustafa Dungarwalla

Principal Office

445 Brighton Road
South Croydon
Croydon
CR2 6EU

Charity Registration Number

1163192

Bankers

Barclays Bank Plc
1 Chapel Road
Worthing
West Sussex
LE87 2BB

Independent Examiner

Embee Oak Ltd
Chartered Accountants & Statutory Auditors
Basing House
46 High Street
Rickmansworth
Herts
WD3 1HP

Anjuman-e-Zainee (Croydon)

Report of the Trustees for the year ended 31 December 2020

Structure, governance and management

Anjuman-e-Zainee (Croydon) was created by a Deed of Trust on 19 November 2014 by the donation of an initial corpus of £786 by the 53rd Dai al - Mutlaq, His Holiness Syedna Mufaddal Saifuddin^(TUS). The Trust's registered charity status was confirmed by the Charity Commission on 19 August 2015.

Appointment of Trustees

Potential new Trustees are proposed for election by the President of the charity based on competency and an understanding of the objectives of the Charity (religious and otherwise).

Trustees are appointed by the Dai al- Mutlaq for a period not exceeding five years. Trustees may be reappointed at the end of a term of five years or new trustees may be appointed as set out in the terms of the Trust Deed. The Trustees have the power to manage, administer and conduct the day-to-day business and affairs of the Trust.

Once elected, Trustees will undergo training relevant to the individual role.

The following trustees served throughout the year:

Al-Anwar Bhaisaheb Bin Shahzada Badruddin (President)
Shaikh Hussein Bhai Mulla Hatimali Ghor (Hon. Secretary)
Shaikh Shaukatali Huseinbhai Dungarwalla
Shaikh Asger Bhai Hussain
Shaikh Alihussein Ghor (Hon. Treasurer)
Shaikh Mustafa Dungarwalla

Since the year end, Al-Anwar Bhaisaheb Bin Shahzada Badruddin has completed his term as President and Trustee. A new President and Trustee has been appointed by His Holiness, namely Abdulqadir Bhaisaheb Maimoon. The appointment is yet to be formally ratified and reflected at the Charity Commission.

Meetings of the Trustees are held ordinarily at least once a quarter at which they agree the broad strategy and areas of activity for the Trust, including the consideration of grant making, reserves and risk management policies and performance.

The Trustees have assessed the major risks the Trust faces and identified the major risks by area of activity, the nature of those risks, the likelihood of the risks materialising, and the measures taken to manage them. The Trustees review these risks regularly at their meetings and they are satisfied that systems are in place to manage the risks that have been identified, in particular, controls over cash withdrawals and authorisation of invoices.

Objectives and activities

The Trustees hold the Trust Fund and its income upon trust to apply them for any charitable purpose for the benefit of the community and in particular the members of the Dawoodi Bohra Jamaat of Croydon and for the following purposes: -

1. To advance the preaching and practicing of the Islamic religion in conformity with al-Quran, Islamic Shariat and the Fatemi (Fatimid) philosophy, culture and traditions, all as interpreted by al Dai al-Mutlaq.
2. The advancement of education.
3. The relief of need, hardship and distress.
4. The provision and assistance in the provision of facilities for the recreation and other leisure time occupations of the said beneficiaries particularly for women and young people in the interests of social welfare and so that their conditions of life may be improved.

Anjuman-e-Zainee (Croydon)

Report of the Trustees for the year ended 31 December 2020

The Trustees have paid due regard to guidance issued by the Charity Commission on public benefit when reviewing the Trust's aims and objectives and in planning the Trust's future activities. The charity is a public benefit entity.

Review of activities and achievements

Anjuman-e-Zainee (Croydon) has established its grant making policy to achieve its objects for the public benefit, for the advancement of religious and charitable purposes of the Dawoodi Bohra Jamaat of Croydon in particular, and the community at large. The activities of the trust over the past year pertained to its objectives as set out in the following:

1. Religious and Cultural Activities

The trust was permitted the use of the premises at 445 Brighton Road, South Croydon, Surrey, CR2 6EU (Burhani Centenary Centre) by al-Dai al-Mutlaq Syedna Mufaddal Saifuddin. The trust organised many religious and social events at the centre to which all the Dawoodi Bohras were invited from the U.K. and abroad as appropriate.

Funeral arrangements were made by the trust for the trust for burial of the deceased in the community in the land belonging to another Trust in London. The trust also provided matrimonial services and assistance to Dawoodi Bohras to travel abroad for religious and educational purposes.

Support was provided to the Dawoodi Bohras who embarked on the annual pilgrimage to Makkah (the Hajj).

The Faiz-al-Mawaid Burhaniyah scheme continued to operate throughout the year in which evening meals were provided to all the Dawoodi Bohra families of the Croydon Jamaat three times a week.

2. Education

Due to the Covid19 pandemic the trust operated their weekly Madresah online which was a success. Children between the ages of five and fourteen were able to participate fully in their pursuit of religious, cultural and other education. The school was administered by trustees and volunteer teachers, who taught children at the different levels from kindergarten to class IX.

Over the past year the trust was able to provide services and assistance to Dawoodi Bohras to further their religious, social, cultural and educational aspirations, in accordance with its objectives and in keeping with the Islamic Fatemi traditions and wishes of al-Dai al-Mutlaq

3. Upliftment

This is done on a local as well as international level. Members of the community have been dispensed with hardship funds (Muwasaat) which is available to assist members in hardship. In keeping with the teachings of His Holiness, members of the community and the Trust are encouraged to join the Fostership Scheme. This looks at fostering a town or village in India and at the hardships that members of the Dawoodi Bohra Communities endure, and how best the community members here can help, with resources and expertise.

4. The provision of facilities for the community

After the significant Taamir (repairs and remedial works) to Burhani Centenary Centre in previous years, members of the Croydon Jamaat were able to partake in some religious, cultural and recreational events at the community building. However, due to the Covid 19 pandemic, for much of the year the centre had to remain closed.

Financial review

The main source of income of Anjuman-e-Zainee (Croydon) is the regular sabil/donations from the community supplemented by donations from other sources. This provides the necessary funds for the maintenance and upkeep of Burhani Centenary Centre and for the provision of funds to other connected charities. Regular donations from the community have remained broadly consistent with the prior year. Grants and other donations have reduced considerably as these are largely collected or at least requested during congregations which have not been taking

Anjuman-e-Zainee (Croydon)

Report of the Trustees for the year ended 31 December 2020

place for much of the year due to the Covid 19 pandemic. The biggest area of reduction in donations received is Niyaz. Much of the donations received for Niyaz are used for Faiz-ul-Mawaid al Burhaniyah (feeding the needy

and others in the congregation) which has continued throughout “lockdown” and so there has not been an ability to reduce cost of activities in this area. Most other areas of income and expenditure have remained broadly consistent. The charity has also been able to continue to donate generously to Dawat E Hadiyah (UK) Trust, as this as is an important cause to this Trust.

It is the policy of Anjuman-e-Zainee (Croydon) that unrestricted funds which have not been designated for a specific use should be maintained (in cash terms) at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised.

Although the overall reserves position at the end of the year is in deficit, the trustees are comfortable that this deficit position reflects a long term loan payable to a related charity with common objectives who have confirmed that they will not seek to have the loan repaid until this charity can afford to without compromising its charitable objectives. When considering the reserves and reserves policy, the trustees 'add back' the long term long due to the flexibility in its repayments and once 'added back' the reserves are positive and reflect between three to 6 months expenditure.

In assessing their on going position as above, the trustees also continue to review the overall general fund deficit and despite the charity being able to operate in this deficit position (as the loan will not be repaid until the charity can afford to do so), the trustees are organising activities specifically to raise funds in order to repay the loan, which will in term reduce the deficit. The deficit originally arose because this charity was gifted a property and corresponding loan. However, they gifted the property to another charity with a common objective but retained the loan with intent to pay it back.

Plans for the future

The Trust intends to continue and strengthen its activities in order to fulfil its objects. Additionally, the trustees are seeking ways to undertake a Masjid project and are looking into other ways to expand the facilities for the benefit of the entire community and to encourage the younger members to be more actively involved in the management of the trust activities.

Al-Dai al-Mutlaq, Syedna Mufaddal Saifuddin has divided the matters of a Jamaat into 12 functions (Umoor). This classification will increase the effectiveness and efficiency of the Jamaat, so that its maximum benefits reach community members. The 12 Umoor are a platform for the charity, its trustees and volunteers to serve the community better; to move from day-to-day management of the Jamaat to a goal driven organization; and to monitor the Jamaat's progress. The trustees plan to implement the 12 umoor into the management of the Jamaat and as part of this, will recruit and train new members who will implement the 12 umoor to further strengthen the activities within those umoors.

A significant focus for the charity for 2021 is to finalise a plan to repay its long term loan. This commenced in late 2020 and has continued into 2021 with plans for a repayment structure to be finalised by the end of 2021.

The annual report was approved by the trustees of the charity on 2 October 2021 and signed on its behalf by:

..... Shaikh Hussein Bhai Mulla Hatimali Ghor (Hon. Secretary)

Anjuman-e-Zainee (Croydon)

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 2 October 2021 and signed on its behalf by:

.....
Shaikh Hussein Bhai Mulla Hatimali Ghor (Hon. Secretary)
Trustee

Anjuman-e-Zainee (Croydon)

Independent Examiner's Report to the trustees of Anjuman-e-Zainee (Croydon)

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 7 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of Anjuman-e-Zainee (Croydon) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Anjuman-e-Zainee (Croydon)'s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Anjuman-e-Zainee (Croydon) as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

.....
Moiz Ebrahim FCA
of Embee Oak Ltd
Chartered Accountants & Statutory Auditors
Basing House
46 High Street
Rickmansworth
Herts
WD3 1HP

October 2021

Anjuman-e-Zainee (Croydon)

Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:				
Donations and legacies	2	154,298	154,298	201,840
Total income		154,298	154,298	201,840
Expenditure on:				
Charitable activities	3	(161,137)	(161,137)	(178,089)
Total Expenditure		(161,137)	(161,137)	(178,089)
Net income/(expenditure)		(6,839)	(6,839)	23,751
Reconciliation of funds				
Total funds brought forward		(527,148)	(527,148)	(550,900)
Total funds carried forward	13	(533,987)	(533,987)	(527,148)

Anjuman-e-Zainee (Croydon)
(Registration number: 1163192)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	8	2,227	4,739
Current assets			
Debtors	9	547	997
Cash at bank and in hand		171,830	209,606
		172,377	210,603
Creditors: Amounts falling due within one year	10	(29,591)	(42,490)
Net current assets		142,786	168,113
Creditors: Amounts falling due after one year	11	(679,000)	(700,000)
Net assets	12	(533,987)	(527,148)
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		(533,987)	(527,148)
Total funds	12	(533,987)	(527,148)

The financial statements on pages 7 to 16 were approved by the trustees, and authorised for issue on 2 October 2021 and signed on their behalf by:

.....
Shaikh Alihussein Ghor (Hon. Treasurer)
Trustee

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Anjuman-e-Zainee (Croydon) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The presentational currency is pound sterling.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. In their assessment of going concern, the trustees have given due consideration to the deficit reserves position. This includes a long-term liability to a related charity which has committed to provide the financial support this charity requires (due to their common objectives). In providing that support, they have committed to withhold collecting their loan until such a time as this charity has the financial means to repay it.

During the year the United Kingdom, amongst other countries, have been struck by the Coronavirus (COVID-19) pandemic. Whilst the impact to the charity is unquantifiable at present, the trustees have considered the financial health of the charity along with the support they have of associated charities and with this in mind, the trustees are confident that the charity, at the date of signing, will continue as a going concern for the foreseeable future.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received, and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable, and the amount can be reliably measured.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings, they have been allocated on a basis consistent with the use of resources.

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	25% straight line method
Fixtures and fittings	25% straight line method

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

2 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Donations and legacies;			
Sabil-ul-Khair-Wal-Barakat	100,662	100,662	107,030
Niyaz and Faiz-ul- Mawaid al Burhaniyah income	48,873	48,873	85,903
Madrassa	3,000	3,000	3,500
Other donations	1,763	1,763	5,407
	<u>154,298</u>	<u>154,298</u>	<u>201,840</u>

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Expenditure on charitable activities

		Unrestricted funds		
	Note	General £	Total 2020 £	Total 2019 £
Charitable activities		86,045	86,045	113,705
Grant funding of activities	5	48,920	48,920	38,530
Governance costs and support	4	26,172	26,172	25,853
		161,137	161,137	178,089

Charitable activities, Governance cost and Support cost Analysis	Activity undertaken directly £	Governance & Grant funding of Activities £	Activity support costs £	Total 2020 £	Total 2019 £
Wazaef	16,804	-	-	16,804	27,325
Enayat	-	1,017	-	1,017	11,530
Muwasaat	-	-	-	-	-
Niyaz and Faiz-ul-Mawaid al Burhaniyah	52,187	-	-	52,187	69,444
Rahaesh	4,574	-	-	4,574	7,968
Taamir expenses	8,955	-	-	8,955	3,480
Madrasah- Talimy Imdad	-	-	-	-	110
Ohbat expenses	-	-	-	-	902
Rifah-e-Aam (Relay expenses)	3,524	-	-	3,524	3,867
Accountancy fees	-	2,200	-	2,200	3,500
Depreciation for the year	-	-	2,512	2,512	3,292
Other professional fees	-	156	-	156	-
Tayzeen	-	-	-	-	609
Light, heat and power	-	-	6,588	6,588	7,095
Telephone and fax	-	-	11,761	11,761	10,892
Printing, postage and stationery	-	-	2,512	2,512	538
Bank charges	-	443	-	443	537
Contributions to affiliated registered Charities- see note 5	-	47,903	-	47,903	27,000
	86,045	51,719	23,372	161,137	178,089

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

4 Analysis of governance and support costs

Governance costs	Unrestricted general funds £	Total 2020 £	Total 2019 £
Independent examiners and accountancy fees	2,200	2,200	3,500
Bookkeeping software and bank fees	600	600	537
Support costs	23,372	23,372	21,816
	<u>26,172</u>	<u>26,172</u>	<u>25,853</u>

5 Grant-making

Below are details of material grants made to institutions.

Name of institution	Activity	2020 £	2019 £
Dawat-e-Hadiyah Trust (United Kingdom)	Charitable activities	47,903	27,000
Anjuman-e-Burhani (London)	Charitable activities	-	-
		<u>47,903</u>	<u>27,000</u>

In addition to the above, grants totalling £1,017 (2019: £11,530) were paid to individuals.

6 Trustees remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the period ended 31 December 2019.

A total of £1,174 was paid to trustees' as reimbursed expenses during the year ended 31 December 2020 (2019: £154).

No member of staff or Trustee received emoluments in excess of £60,000.

7 Independent Examiners' remuneration

	2020 £	2019 £
Independent examination of the financial statements	1,100	1,500
Other non-assurance financial services	<u>1,100</u>	<u>2,000</u>

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Tangible fixed assets

	Computer equipment, etc £	Total £
Cost		
At 1 January 2020	13,167	13,167
Additions in the year	-	-
At 31 December 2020	13,167	13,167
Depreciation		
At 1 January 2020	8,428	8,428
Charge for the year	2,512	2,512
At 31 December 2020	10,940	10,940
Net book value		
At 31 December 2020	2,227	2,227
At 31 December 2019	4,739	4,739

9 Debtors

	2020 £	2019 £
Niyaz debtors	-	-
Other debtors	547	997
	547	997

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Related party creditors	-	27,000
Other creditors	1,180	1,180
Accruals	28,411	14,310
	29,591	42,490

11 Long term creditors

	2020 £	2019 £
Dawat-e-Hadiyah Trust (United Kingdom)	679,000	700,000

Anjuman-e-Zainee (Croydon)

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	(527,148)	154,298	(161,137)	(533,987)

13 Analysis of net assets between funds

All assets and liabilities of the charity are within the unrestricted general fund.

14 Analysis of net funds

	At 1 January 2020 £	Cash flow £	At 31 December 2020 £
Cash at bank and in hand	209,606	(37,776)	171,830
Net cash	209,606	(37,776)	171,830

15 Related party transactions

During the year donations received from Trustees totalled £13,367 (2019: £19,242). These donations were free from any attached conditions.

Dawat-e-Hadiyah Trust (United Kingdom)

The Trust, by virtue of influence, is connected to Dawat-e-Hadiyah Trust (United Kingdom). The Trust made donations to Dawat-e-Hadiyah (United Kingdom) amounting to £47,903.00 during the year (2019: £27,000).

At the end of the year the Charity owed Dawat-e-Hadiyah Trust (United Kingdom) 679,000 (2019: £727,000). This loan is interest free, has no fixed term of repayment and is presented in long term creditors (2019: £27,000 in short term and £700,000 in long term creditors).