

CHARITY REGISTRATION NUMBER: 1170675

**KSIMC of Birmingham**  
**Financial Statements**  
**31 December 2020**

**FAIRMAN DAVIS**

Chartered accountants & statutory auditor  
6 Exhibition House  
Addison Bridge Place  
London  
W14 8XP

# **KSIMC of Birmingham**

## **Financial Statements**

**Year ended 31 December 2020**

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# **KSIMC of Birmingham**

## **Trustees' Annual Report**

### **Year ended 31 December 2020**

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The trustees present their report and the financial statements of the charity for the year ended 31 December 2020.

#### **Reference and administrative details**

**Registered charity name** KSIMC of Birmingham

**Charity registration number** 1170675

**Principal office** 17 Clifton Road  
Balsall Heath  
Birmingham  
B12 8SX

**The trustees** Mr G Datoo  
Mr M Sachedina  
Mrs I Ramji  
Mr H Bandali  
Mr H Hudda  
Mr M Railey  
Mr M Kassamali  
Mrs F Damji  
Dr R Alidina  
Mr T Bhanji  
Mr S Fazal  
Mr S Zaidi

**Auditor** Fairman Davis  
Chartered accountants & statutory auditor  
6 Exhibition House  
Addison Bridge Place  
London  
W14 8XP

# **KSIMC of Birmingham**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 December 2020**

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### **Structure, governance and management**

The charity was an unincorporated entity, formed with a constitution under a deed dated 17th July 1980 and registered with the Charity Commission number 0510406. The entity transferred its operations and assets to a Charitable Incorporated Organisation (CIO) registration no. 1170675 on 30th June 2018.

#### **Method of Appointment or Election of Trustees**

The management of the charity and the group is the responsibility of the Trustees who are elected under the terms of the Trust deed. The Trustees under a CIO comprise of the Executive Committee, as stated in the new constitution and consists of: The President, Vice President, Secretary General (nominated by the President), Deputy Secretary General, Head of Finance, Treasurer, Chair of Building Committee, Chair of Education Board, Chair of Ladies Committee, Honorary Secretary of Ladies Committee, four elected members and a maximum of two committee members nominated by the Executive Committee. All positions except for the Secretary General, Chair of Ladies Committee and Secretary of Ladies Committee are elected at the Annual General Meeting for a two year term.

#### **Organisational Structure and Decision Making**

The Executive Committee (EC) is responsible for the general control and management of the charity. The members of the EC give their time freely and receive no remuneration or other financial benefits.

The EC meets on a regular basis and is responsible for all decisions taken in relation to the running of the Charity, its facilities and its activities charity. To assist in the smooth running of the charity the trustees have set up a number of sub-committees that help them oversee various aspects of the charity's work.

The Executive Committee controls various activities of the Jamaat through two companies. These companies are as follows: - Khoja Shia Ithna-Asheri Muslim Community (Baquir) Limited - a charitable company providing religious and secular education along with nursery facilities, as well as rental of commercial properties. Khoja Shia Ithna-Asheri Muslim Community (Jaaferi) Limited - a property management company providing residential lettings.

### **Objectives and activities**

The principal objective of the charity is to promote Islam and further the teachings of Islam per the Holy Qur'an in accordance with the Shia Jaa'fery faith. The charity has various committees operating under the main body of the Executive Committee. Additional objectives of the charity are to arrange religious functions as per the Islamic calendar, provision of secular education, meeting social and welfare needs of its members and establish capital projects to provide for the above stated objectives.

It is the responsibility of the charity to establish high quality programmes and activities through its various subcommittees which promote Islamic values and social responsibility. The charity reaches out to the wider community to promote understanding of its role and partakes in various charitable activities jointly with partner organisations.

In fulfilling its objectives and assisting in planning for the various activities, the Executive Committee has given due consideration to the guidance provided by the Charity Commission in relation to public benefit and in particular to its supplementary Public Benefit Guidance on the advancement of Religion.

#### **Strategies**

We want to make our Mosque an accessible and welcoming venue where all members, or those who wish to know more about our faith, can gather together to learn about religion and worship. The Mosque is open for daily prayers, the Friday prayers being a focus of our activities.

# **KSIMC of Birmingham**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

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We share the teachings of Islam and the nature of our faith with non-Muslims by participating in various inter-faith forums.

An important part of our faith is charitable giving in accordance with the Islam tenets, and we are pleased to receive funds from members for the purpose of the relief of need and financial hardship of Muslims in the UK, and overseas who have insufficient money to cover their basic needs for shelter, food, clothing, education or who are destitute with no means of support.

An important part of our strategy is community welfare and education. We provide a range of community activities including classes, health initiatives and seminars in order to achieve this.

#### **Use of Volunteers**

Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community activities. All our trustees also give of their time freely. We encourage all members of our Centre to be involved in voluntary activities and to share their skills with others. All those volunteers working with projects involving children or other vulnerable groups are CRB checked.

#### **Grant Making Policy**

Our members give generously to appeals arising from natural calamities affecting various countries around the world. The charity has a close relationship with The World Federation of Khoja Shia Ithna-Asheri Muslim Communities, a UK registered charity number 282303, and is member of COEJ (Council of European Jamaat, a UK registered charity number 1096111). KSIMC of Birmingham channels donations and contributions to worthwhile causes throughout the world through these two international bodies.

#### **Achievements and performance**

2020 began operationally as usual. Subcommittee activities were in full swing. MSC and Al Najiyaat sports clubs continued to be very active. Az Zahra Girls Club held a Bibi Fatema (as) event for all ladies. BAYN held a series of Programs entitled 'All Stories'. LFQC had their annual Quran competition. The CoEJ Khoja Festival took place in February. CSR held a movie night. AIE held a Passion & Purpose session with a prominent female entrepreneur. The Imam Husayn Conference, also attended by local and national politicians took place at the end of February 2020. There were many subcommittee events in the pipeline for Me2We, Matchmaking and Specially Me and others for March and beyond.

Following much deliberation in Early March, in order to protect the elderly and vulnerable of the community the Trustees decided to close the centre on 5th March 2020. The usual congregational activities moved to online and all programs were streamed on YouTube integrating live and recorded content. As the year progressed the community got used to online offerings and the Month of Ramadhan and Muharram was done at home for the first time. Madrasah adapted quickly to online learning. Participation in Sunday classes actually bettered that of face to face lessons with rates of attendance being over 95%. All subcommittees began to hold online programs, CTC ran Ramadhan and Muharram programs on Zoom and YouTube, Al Najiyaat, BAYN, Me2We, Matchmaking, Specially Me, Health and Wellbeing and other ran numerous programs throughout the pandemic.

With COVID-19 gaining traction across Europe the Trustees formed two COVID task forces: Al Tabeeb Medical Taskforce and Al Wafaa Taskforce.

A group of medics from the community came together to assess the ever-changing situation with the pandemic, analyse the government rules at the time and provide relevant guidance to the community in easy and accessible languages through different media. The Trustees regularly took Al Tabeeb's advice with regards to its activities and subcommittee activities. This group continues to monitor the National and local situation and interpret and advise on its application.

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# **KSIMC of Birmingham**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

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Al Wafaa Taskforce was formed to assist the vulnerable and elderly of the community, with social and practical needs through the pandemic. Large numbers of Volunteers came together to help people from all over the city, those who were shielding, vulnerable and those who had to isolate due to catching COVID-19. Help with shopping, regular phone calls to assist with mental health and the provision of oximeters and thermometers were made available to those who needed it during the year especially during the first lockdown.

At the time of forming the 2 task forces a COVID-19 helpline was opened and people were able to register for these services on that number. Coupled with this a team of financial professionals came together to provide financial advice and practical assistance as some families fell into unexpected sudden financial difficulties due to the pandemic.

During the initial lockdown when staple food supplies were difficult to obtain the Jamaat procured items that were in shortage in the supermarkets including rice and flour along with donations received from the public. These supplies were distributed to the seniors and vulnerable of the community.

As numbers of deaths nationally rose there were concerns that there would be lengthy delays for funerals in the event of deaths in the community. Therefore, a temporary freezer facility was rented and sited in Prospect Place. With the grace of God this freezer has not been required to be used to its capacity.

With evolving advice on the funeral rites through the early days of the pandemic, efforts were made to obtain PPE. Though it was challenging the Jamaat was able to procure good stocks of PPE and the burial committee was able to perform the all the final funeral rites of those who passed away in 2020 with this PPE.

As the year came to a close the opportunity to facilitate the first vaccination centre in a mosque was brought to the Trustees. Discussions ensued leading to the vaccination centre opening within the centre's main halls in January 2021.

#### **AIC Capital Project**

The Ghusal Khana construction started in September 2019 and was progressing well. The onset of COVID slowed progress on the works. By the end of 2020 the majority of the work was complete and the internal works were well underway. The Ghusal Kafan building was completed in March 2021 with the virtual opening ceremony being aired on 15th Shabaan 1442 AH.

### **Financial review**

#### **Reserves policy**

The perpetual nature of the charity's existence means that it will never cease to exist and therefore reserves are carried forward at the end of each financial year. The Trustees aim to maintain unrestricted reserves at a level which equate to approximately three months of its unrestricted charitable expenditure. It is the Trustees' view that this level is sufficient to respond to any unexpected level of expenditure as well as finance other recurring expenditure and governance costs. Unrestricted Funds at 31st December 2020 stood at £9,647,452 (2019 £9,215,809). Restricted Funds at 31st December 2020 stood at £1,946,219 (2019 £1,300,722).

The Trustees and Executive Committee, as well as members of subcommittees, are neither remunerated nor paid any expenses. The restricted funds all relate to items where the donors have specified its intended use or recipient. Where deficits occur these are carried forward to the following year.

#### **Risk Management**

The trustees have assessed the risks the charity faces, the nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review the risks at their

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# **KSIMC of Birmingham**

## **Trustees' Annual Report** *(continued)*

### **Year ended 31 December 2020**

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meetings and are satisfied that systems are in place to manage any risks that may be identified. In particular, adequate insurance cover is in place and the finances of the Mosque are kept under review. Appropriate Criminal Records Bureau (CRB) checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups within the Charity's activities.

#### **Plans for future periods**

The charity is rapidly outgrowing its current facilities based on a growth forecast using the census and other data. As has been widely communicated, the Charity is on the verge of commencing the physical phase of the Al-Abbas Building Project. Further details will be published as part of the Building Report.

#### **Trustees' responsibilities statement**

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

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

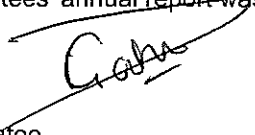
In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable 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 Trust Deed. They 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.

With the onset of the Covid 19 pandemic, the trustees became aware that it would be impossible to conduct the annual AGM and biannual elections of the Executive committee in a safe manner. A communication was sent to the members and the Charities Commission informing them of the situation. The trustees decided to carry on with their responsibilities until such time as an AGM can be called safely where elections can also be held.

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

  
Mr G Datto  
Trustee

Date: 10.09.2021

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# **KSIMC of Birmingham**

## **Independent Auditor's Report to the Members of KSIMC of Birmingham** *(continued)*

**Year ended 31 December 2020**

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### **Opinion**

We have audited the financial statements of KSIMC of Birmingham (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there

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## **KSIMC of Birmingham**

### **Independent Auditor's Report to the Members of KSIMC of Birmingham** *(continued)*

#### **Year ended 31 December 2020**

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is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In order to identify and assess the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, a suitably qualified and competent engagement team, with the requisite skills and capabilities to identify or recognise non-compliance with applicable laws and regulations, was appointed.

Through discussions with directors and other management, our knowledge and experience of the non-profit, housing and education sectors, and our previous knowledge of the group's operations, we identified the applicable laws and regulations which could have a direct material effect on the financial

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## **KSIMC of Birmingham**

### **Independent Auditor's Report to the Members of KSIMC of Birmingham** *(continued)*

#### **Year ended 31 December 2020**

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statements or the operations of the charity, including the Charities Act 2011, Companies Act 2006, Corporation Tax Act 2010, Data Protection Act 2018, Housing Act 2004, and Education Act 2002.

The team discussed and assessed the laws and regulations identified above in order to gauge the charity's compliance and to determine the susceptibility of its financial statements to material misstatement, including obtaining an understanding of how fraud might occur. The team asked management whether they had any knowledge of actual, suspected or alleged fraud during the year.

The internal controls were reviewed, analytical procedures performed and journals tested for mitigation of fraud risk through management bias and override of controls and non-compliance with laws and regulations. Any unusual or unexpected relationships and any significant or unusual transactions were examined, including any judgements or accounting estimates made by management which may be indicative of potential bias.

In order to reduce the risk of irregularities and non-compliance, procedures were designed to agree the financial statement disclosures to underlying supporting documentation. Minutes of Management and Trustee meetings were read and enquiries made of those charged with governance as to any actual and potential litigation and claims. Correspondence with HMRC and Companies House were also reviewed.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of those charged with governance, and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

## KSIMC of Birmingham

### Independent Auditor's Report to the Members of KSIMC of Birmingham *(continued)*

Year ended 31 December 2020

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Fairman Davis  
Chartered accountants & statutory auditor  
6 Exhibition House  
Addison Bridge Place  
London  
W14 8XP

Date: 10/09/2021

# KSIMC of Birmingham

## Consolidated Statement of Financial Activities

Year ended 31 December 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	329,652	1,166,503	1,496,155	1,294,667
Charitable activities	5	183,179	—	183,179	243,092
Other trading activities	6	78,964	—	78,964	126,936
Investment income	7	232,598	—	232,598	229,112
<b>Total income</b>		<u>824,393</u>	<u>1,166,503</u>	<u>1,990,896</u>	<u>1,893,807</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising funds, donations and legacies	8	16,954	—	16,954	20,548
Expenditure on charitable activities	9,10	883,774	13,027	896,801	1,167,134
<b>Total expenditure</b>		<u>900,728</u>	<u>13,027</u>	<u>913,755</u>	<u>1,187,682</u>
<b>Net income</b>		<u>(76,335)</u>	<u>1,153,476</u>	<u>1,077,141</u>	<u>706,125</u>
Transfers between funds		507,979	(507,979)	—	—
<b>Net movement in funds</b>		<u>431,644</u>	<u>645,497</u>	<u>1,077,141</u>	<u>706,125</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		9,215,808	1,300,722	10,516,530	9,810,404
<b>Total funds carried forward</b>		<u>9,647,452</u>	<u>1,946,219</u>	<u>11,593,671</u>	<u>10,516,530</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 14 to 27 form part of these financial statements.

# KSIMC of Birmingham

## Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	15	6,578,365	6,330,615
Investments	16	3,533,239	3,533,239
		<u>10,111,604</u>	<u>9,863,854</u>
<b>Current assets</b>			
Debtors	17	314,694	480,589
Cash at bank and in hand		2,790,300	1,862,910
		<u>3,104,994</u>	<u>2,343,499</u>
<b>Creditors: amounts falling due within one year</b>	18	350,294	340,052
<b>Net current assets</b>		<u>2,754,700</u>	<u>2,003,447</u>
<b>Total assets less current liabilities</b>		12,866,304	11,867,301
<b>Creditors: amounts falling due after more than one year</b>	19	1,272,633	1,350,771
<b>Net assets</b>		<u>11,593,671</u>	<u>10,516,530</u>
<b>Funds of the charity</b>			
Restricted funds		1,946,219	1,300,722
Unrestricted funds		9,647,452	9,215,809
<b>Total charity funds</b>	21	<u>11,593,671</u>	<u>10,516,531</u>

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

  
Mr G Datto  
Trustee

Date: 10.09.2021

  
Mr H Hudda  
Trustee

Date: 10.09.2021

The notes on pages 14 to 27 form part of these financial statements.

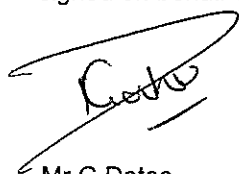
# KSIMC of Birmingham

## Statement of Financial Position

31 December 2020

Charity Only	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets		6,562,904	6,321,511
<b>Current assets</b>			
Debtors		1,085,122	1,218,441
Cash at bank and in hand		2,579,844	1,755,206
		<u>3,664,966</u>	<u>2,973,647</u>
<b>Creditors: amounts falling due within one year</b>		<u>196,372</u>	<u>174,784</u>
<b>Net current assets</b>		<u>3,468,594</u>	<u>2,798,863</u>
<b>Total assets less current liabilities</b>		<u>10,031,498</u>	<u>9,120,374</u>
<b>Net assets</b>		<u>10,031,498</u>	<u>9,120,374</u>
<b>Funds of the charity</b>			
Restricted funds		1,946,219	1,300,722
Unrestricted funds		<u>8,085,279</u>	<u>7,819,653</u>
<b>Total charity funds</b>		<u>10,031,498</u>	<u>9,120,375</u>

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



Mr G Datoo  
Trustee

Date: 10.09.2021



Mr H Hudda  
Trustee

Date: 10.09.2021

The notes on pages 14 to 27 form part of these financial statements.

# KSIMC of Birmingham

## Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net income	1,077,141	706,125
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	258,778	257,761
Dividends, interest and rents from investments	(197,358)	(200,392)
Other interest receivable and similar income	(35,240)	(28,720)
Accrued (income)/expenses	(15,737)	17,015
<i>Changes in:</i>		
Trade and other debtors	165,895	(91,721)
Trade and other creditors	25,979	(60,048)
Cash generated from operations	1,279,458	600,020
Interest received	35,240	28,720
Net cash from operating activities	<u>1,314,698</u>	<u>628,740</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	197,358	200,392
Purchase of tangible assets	(506,526)	(253,104)
Net cash used in investing activities	<u>(309,168)</u>	<u>(52,712)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(78,138)	(68,571)
Net cash used in financing activities	<u>(78,138)</u>	<u>(68,571)</u>
<b>Net increase in cash and cash equivalents</b>	927,392	507,457
<b>Cash and cash equivalents at beginning of year</b>	<u>1,862,910</u>	<u>1,355,453</u>
<b>Cash and cash equivalents at end of year</b>	<u>2,790,302</u>	<u>1,862,910</u>

The notes on pages 14 to 27 form part of these financial statements.

# **KSIMC of Birmingham**

## **Notes to the Financial Statements**

**Year ended 31 December 2020**

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### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 17 Clifton Road, Balsall Heath, Birmingham, B12 8SX.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

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

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

#### **Going concern**

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

#### **Fund accounting**

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

Designated funds are unrestricted funds earmarked by the 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.



# **KSIMC of Birmingham**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

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### **3. Accounting policies** *(continued)*

#### **Incoming resources**

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

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

#### **Resources expended**

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

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

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

#### **Tangible assets**

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

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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### 3. Accounting policies *(continued)*

#### Tangible assets *(continued)*

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

#### Depreciation

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

Freehold property	-	Straight line over 25 years
Fixtures and fittings	-	Straight line over 4 years
Motor vehicles	-	Straight line over 4 years
Equipment	-	Straight line over 4 years

#### Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

#### Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

#### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

# **KSIMC of Birmingham**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

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### **3. Accounting policies** *(continued)*

#### **Investments in joint ventures**

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

#### **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.

# **KSIMC of Birmingham**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

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### **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.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Burial	69,369	—	69,369
Burial donations	23,039	—	23,039
Fitra	—	7,179	7,179
General donations	49,015	—	49,015
Gift Aid	42,459	—	42,459
Hardship funds	12,980	—	12,980
AIC project	—	1,133,715	1,133,715
Nyaz	11,027	—	11,027
Seniors	—	14,231	14,231
Subscriptions	86,844	—	86,844
Sadka	—	10,433	10,433
Zakat	—	945	945
COVID 19 Support fund	9,919	—	9,919
<b>Grants</b>			
Grants receivable	25,000	—	25,000
	<u>329,652</u>	<u>1,166,503</u>	<u>1,496,155</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
<b>Donations</b>			
Burial	58,812	—	58,812
Burial donations	16,710	—	16,710
Fitra	—	5,574	5,574
General donations	55,579	—	55,579
Gift Aid	49,574	—	49,574
Hardship funds	14,146	—	14,146
AIC project	—	925,417	925,417
Nyaz	32,521	—	32,521
Seniors	—	27,440	27,440
Subscriptions	87,285	—	87,285
Sadka	—	20,265	20,265
Zakat	—	1,344	1,344
COVID 19 Support fund	—	—	—
<b>Grants</b>			
Grants receivable	—	—	—
	<u>314,627</u>	<u>980,040</u>	<u>1,294,667</u>

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 5. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Secular Education fees	48,921	48,921	64,497	64,497
Madressa fees	19,301	19,301	34,669	34,669
Nursery fees	114,957	114,957	143,926	143,926
	<u>183,179</u>	<u>183,179</u>	<u>243,092</u>	<u>243,092</u>

### 6. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Advertising	1,440	1,440	2,140	2,140
Funfair	—	—	9,350	9,350
Halls & Majlis	4,763	4,763	17,620	17,620
Subcommittee	72,186	72,186	96,083	96,083
Other income	575	575	1,743	1,743
	<u>78,964</u>	<u>78,964</u>	<u>126,936</u>	<u>126,936</u>

### 7. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from investment properties	197,358	197,358	200,392	200,392
Bank interest receivable	1,058	1,058	5,489	5,489
Other investment income	34,182	34,182	23,231	23,231
	<u>232,598</u>	<u>232,598</u>	<u>229,112</u>	<u>229,112</u>

### 8. Costs of raising funds, donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of rental income	16,954	16,954	20,548	20,548

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Religious	114,301	2,000	116,301
Education	103,245	—	103,245
Burial scheme	78,083	—	78,083
Support costs	588,145	11,027	599,172
	<u>883,774</u>	<u>13,027</u>	<u>896,801</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Religious	218,871	29,594	248,465
Education	157,342	—	157,342
Burial scheme	29,998	—	29,998
Support costs	706,171	25,157	731,329
	<u>1,112,382</u>	<u>54,751</u>	<u>1,167,134</u>

### 10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Religious	116,301	502,599	618,900	841,209
Education	103,245	39,268	142,513	211,462
Burial scheme	78,083	—	78,083	29,998
Investment management	—	57,305	57,305	84,465
	<u>297,629</u>	<u>599,172</u>	<u>896,801</u>	<u>1,167,134</u>

### 11. Analysis of support costs

	Religious £	Education £	Investment management £	Total 2020 £	Total 2019 £
Staff costs	80,056	—	—	80,056	76,131
Premises	47,954	8,694	24,211	80,863	141,561
Finance costs	3,247	22,996	22,315	48,558	58,513
Insurance	16,201	751	—	16,952	17,963
Legal & professional	8,132	1,676	5,800	15,608	16,753
Depreciation	252,585	2,338	3,854	258,777	257,761
Sub committee	89,924	—	—	89,924	128,502
Other costs	—	—	—	—	23,067
Auditor fees	4,500	2,813	1,125	8,438	11,078
	<u>502,599</u>	<u>39,268</u>	<u>57,305</u>	<u>599,172</u>	<u>731,329</u>

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

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#### 12. Net income

Net income is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>258,778</u>	<u>257,761</u>

#### 13. Staff costs

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

	2020 £	2019 £
Wages and salaries	191,687	234,605
Social security costs	2,682	3,118
Employer contributions to pension plans	<u>1,879</u>	<u>1,898</u>
	<u>196,248</u>	<u>239,621</u>

The average head count of employees during the year was 19 (2019: 19).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

#### 14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees



# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Equipment £	Asset under construction £	Total £
<b>Cost</b>						
At 1 Jan 2020	7,322,841	328,386	18,630	46,493	926,819	8,643,169
Additions	–	12,547	–	–	493,979	506,526
<b>At 31 Dec 2020</b>	<u>7,322,841</u>	<u>340,933</u>	<u>18,630</u>	<u>46,493</u>	<u>1,420,798</u>	<u>9,149,695</u>
<b>Depreciation</b>						
At 1 Jan 2020	1,928,151	326,149	18,629	39,623	–	2,312,552
Charge for the year	252,586	3,903	–	2,289	–	258,778
<b>At 31 Dec 2020</b>	<u>2,180,737</u>	<u>330,052</u>	<u>18,629</u>	<u>41,912</u>	<u>–</u>	<u>2,571,330</u>
<b>Carrying amount</b>						
<b>At 31 Dec 2020</b>	<u>5,142,104</u>	<u>10,881</u>	<u>1</u>	<u>4,581</u>	<u>1,420,798</u>	<u>6,578,365</u>
At 31 Dec 2019	<u>5,394,690</u>	<u>2,237</u>	<u>1</u>	<u>6,870</u>	<u>926,819</u>	<u>6,330,617</u>

#### 16. Investments

	Investment properties £
<b>Cost or valuation</b>	
At 1 January 2020 and 31 December 2020	<u>3,533,239</u>
<b>Impairment</b>	
At 1 January 2020 and 31 December 2020	
<b>Carrying amount</b>	
At 31 December 2020	<u>3,533,239</u>
At 31 December 2019	<u>3,533,239</u>

All investments shown above are held at valuation.

#### 17. Debtors

	2020 £	2019 £
Trade debtors	58,358	57,149
Prepayments and accrued income	11,688	11,472
Other debtors	244,648	411,968
	<u>314,694</u>	<u>480,589</u>

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

**18. Creditors: amounts falling due within one year**

	2020	2019
	£	£
Bank loans and overdrafts	122,757	122,757
Payments received on account	4,455	1,395
Trade creditors	34,689	25,790
Accruals and deferred income	15,129	30,866
Social security and other taxes	1,917	2,128
Other creditors	171,347	157,116
	<u>350,294</u>	<u>340,052</u>

**19. Creditors: amounts falling due after more than one year**

	2020	2019
	£	£
Bank loans and overdrafts	<u>1,272,633</u>	<u>1,350,771</u>

**20. 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 £2,418 (2019: £1,898).

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 21. Analysis of charitable funds

#### Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
General funds	2,309,902	731,986	(570,059)	14,000	2,485,829
Equipment fund	17,720	—	—	—	17,720
Burial	566,675	92,407	(78,083)	—	580,999
Building revaluation reserve	3,484,830	—	(165,944)	—	3,318,886
Building fund	2,836,681	—	(86,642)	493,979	3,244,018
	<u>9,215,808</u>	<u>824,393</u>	<u>(900,728)</u>	<u>507,979</u>	<u>9,647,452</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
General funds	2,325,399	838,244	(850,346)	(3,394)	2,309,903
Equipment fund	17,720	—	—	—	17,720
Burial	521,150	75,523	(29,998)	—	566,675
Building revaluation reserve	3,650,774	—	(165,944)	—	3,484,830
Building fund	2,673,032	—	(86,642)	250,291	2,836,681
	<u>9,188,075</u>	<u>913,767</u>	<u>(1,132,930)</u>	<u>246,897</u>	<u>9,215,809</u>

#### Restricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
AIC project	1,224,303	1,133,715	—	(493,979)	1,864,039
Senior Citizen	33,015	14,231	(11,027)	—	36,219
Fitra	10,502	7,179	—	(14,000)	3,681
Sadka	31,243	10,433	(2,000)	—	39,676
Zakat	1,659	945	—	—	2,604
	<u>1,300,722</u>	<u>1,166,503</u>	<u>(13,027)</u>	<u>(507,979)</u>	<u>1,946,219</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
AIC project	545,782	925,417	—	(246,896)	1,224,303
Senior Citizen	30,732	27,440	(25,157)	—	33,015
Fitra	14,928	5,574	(10,000)	—	10,502
Sadka	25,978	20,265	(15,000)	—	31,243
Zakat	4,909	1,344	(4,594)	—	1,659
	<u>622,329</u>	<u>980,040</u>	<u>(54,751)</u>	<u>(246,896)</u>	<u>1,300,722</u>

# KSIMC of Birmingham

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	6,578,365	—	6,578,365
Investments	3,533,239	—	3,533,239
Current assets	1,158,775	1,946,219	3,104,994
Creditors less than 1 year	(350,294)	—	(340,294)
Creditors greater than 1 year	(1,272,633)	—	(1,272,633)
<b>Net assets</b>	<b>9,647,452</b>	<b>1,946,219</b>	<b>11,593,671</b>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	6,330,615	—	6,330,615
Investments	3,533,239	—	3,533,239
Current assets	1,042,777	1,300,722	2,343,499
Creditors less than 1 year	(340,052)	—	(340,052)
Creditors greater than 1 year	(1,350,771)	—	(1,350,771)
<b>Net assets</b>	<b>9,215,808</b>	<b>1,300,722</b>	<b>10,516,530</b>

### 23. Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	At 31 Dec 2020 £
Cash at bank and in hand	1,862,910	927,390	2,790,300
Debt due within one year	(122,757)	—	(122,757)
Debt due after one year	(1,350,771)	78,138	(1,272,633)
	<b>389,382</b>	<b>1,005,528</b>	<b>1,394,910</b>

### 24. Related parties

During the year trustees made donations totalling £12,266.22 (2019: £18,557.38) comprising of membership subscriptions, religious dues and general donations, to the charity and were reimbursed £7,495.11 (2019: £15,453.39) for payments made on behalf of the charity. Mrs S Hudda, who has been employed by the charity since 19<sup>th</sup> September 2016, is the spouse of Mr H Hudda who became a trustee on 29<sup>th</sup> April 2018. Mrs Hudda is paid a salary that is determined by trustees other than Mr Hudda. Mr Hudda does not enter into any discussions relating his wife's salary.

### 24. Subsidiaries

The charity's subsidiaries, over which it exercises control are as given below. Control is the power to govern the financial and operating policies of the entities so as to obtain benefits from its activities.

A summary of the financial performance of the subsidiaries is:

# **KSIMC of Birmingham**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

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### **Khoja Shia Ithna-Asheri Muslim Community (Baqir) Limited**

Company number 06391353, Charity number 1122264

Turnover:	£385,755	(2019: £431,405)
Administrative Expenses:	£230,472	(2019: £336,195)
Net Income:	£155,283	(2019: £95,210)
Fixed Assets:	£3,540,179	(2019: £3,540,401)
Current Assets:	£249,455	(2019: £149,771)
Current Liabilities:	£224,146	(2019: £201,829)
Long Term Liabilities:	£1,979,633	(2019: £2,057,771)
Total Net Assets:	£1,585,855	(2019: £1,430,572)
Total Funds:	£1,585,855	(2019: £1,430,572)

### **Khoja Shia Ithna-Asheri Muslim Community (Jaafer) Limited**

Company number 06391478

Turnover:	£94,182	(2019: £98,231)
Administrative Expenses:	£23,448	(2019: £25,280)
Net Profit / (Loss):	£10,734	(2019: £2,049)
Fixed Assets:	£8,521	(2019: £1,943)
Current Assets:	£11,216	(2019: £6,958)
Current Liabilities:	£43,418	(2019: £43,316)
Total Net liabilities:	£23,681	(2019: £34,415)
Share capital reserves:	£23,681	(2019: £34,415)