

Rabbaniah Islamic Cultural Centre
Unaudited Financial Statements
5 September 2021

SAK2020 LTD.
Chartered Certified Accountants
Broadway House
Broadway
Cardiff
CF24 1PU

Rabbaniah Islamic Cultural Centre

Financial Statements

Year ended 5 September 2021

	Page
Trustees' annual report (incorporating the trustees' report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	6
Statement of financial position	7
Notes to the financial statements	8
The following pages do not form part of the financial statements	
Detailed statement of financial activities	15
Notes to the detailed statement of financial activities	16

Rabbaniah Islamic Cultural Centre

Trustees' Annual Report (Incorporating the Trustees' Report)

Year ended 5 September 2021

The trustees, present their report and the unaudited financial statements of the charity for the year ended 5 September 2021.

Reference and administrative details

Registered charity name Rabbaniah Islamic Cultural Centre

Charity registration number 1176290

Company registration number

Principal office and registered

The trustees

Mr H Ahmad
Mr R M Naeem
Mr K Farid
Mr MD M Uddin

Independent examiner SAK2020 Ltd.
Broadway House
Broadway
Cardiff
CF24 1PU

Rabbaniah Islamic Cultural Centre

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

Year ended 5 September 2021

Objectives and activities

Our aims

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

- 1) to advance the Islamic religion for the benefit of the public through the holding of prayer meetings, lectures, public celebration of religious festivals producing and/or distributing literature on the Islamic faith to enlighten others about the Islamic religion;
- 2) to advance education;
- 3) to prevent or relieve poverty;
- 4) the promotion of religious harmony for the benefit of the public by:
 - (a) educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths;
 - (b) promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths;
- 5) to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
- 6) to promote social inclusion for the public benefit by working with people who are socially excluded on the grounds of their ethnic origin, religion, belief or creed (in particular, members of the Muslim community) to relieve the needs of such people and assist them to integrate into society;
- 7) to further such other charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the trustees may from time to time determine.

Our objectives

Our objectives are set to reflect our faith and community aims. Our trustees regularly review our objectives and activities to ensure they continue to reflect our aims. The trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Our charity aims remain to provide a facility where Muslims can worship and to provide a community facility for all the inhabitants of Grangetown and surrounding areas. Our long-term ambition is to build the self-confidence of Cardiff Muslims in their faith, and through our community facilities and activities help make our area a peaceful, vibrant and harmonious community.

Rabbaniah Islamic Cultural Centre

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

Year ended 5 September 2021

Achievements and performance

How the centre's activities deliver public benefit

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit both to those who worship at the centre and the wider community of Cardiff.

Religious activities

Our centre provides a place for prayers and worship and for other activities associated with faith. During the year under review, the centre offered a range of religious services and activities including:

Prayers: The centre is open all day for daily and Friday prayers. During the week, over 100 people regularly attend daily prayers and over 400 regularly attend Friday prayers.

Festivals: The centre prepares food during Ramadan for those attending who wish to break their fast together. Eid is also celebrated at the centre.

Funeral facilities: The centre provides a complete funeral service in line with the teachings of Islam. We relieve the deceased's bereaved relatives of the burden of organising burials. We also hold special classes to teach people how to proceed with Islamic burial procedures.

Marriage (Nikkah): The centre provides Muslim couples with an appropriate location for their Nikkah (Islamic marriage). Numerous couples were married at the centre in the year. Islamic classes: Learning how to recite the Qur'an is considered an important element of religious education and training. Our centre continues to provide this facility for the young people in the Grangetown community. Management is pleased to report this programme continues to run successfully, with over 150 young people regularly attending these classes.

Islamic awareness: This year the centre has launched a series of lectures, open to all, to promote Islamic knowledge and awareness.

Zakat (Charity): It is a fundamental part of the Islamic faith that all who are able to, should offer Zakat. Zakat is collected in proportion to a person's means, in accordance with the teaching of Islam, and is the giving of money for the poor. A Muslim need not give Zakat through the centre, but it does provide opportunities for its attendees to give Zakat and/or arrange its distribution for approved purposes. The Trustees of the centre collect and distribute the Zakat, none of which is used to fund the centre itself. The centre makes no charge for the collection and distribution of Zakat. This year, the Zakat was distributed to help the needy in Asia suffering poverty or with no means of support.

Surgeries: Every Friday after prayers a surgery is held with local councillors giving the community an opportunity to discuss matters of concern.

Plans

Plans for future periods

We plan to continue the series of events we hold, and we will be inviting Imams to our Mosque who can share with us their learning and understanding of Islam and the teachings of the Qur'an and our beloved Prophet Muhammad (Peace Be Upon Him). With Covid-19 restrictions being reduced, we plan to host many events in 2021-22 and to recruit more trainees and/or volunteer Imams if required.

We intend to maintain our existing range of community activities working in partnership with the community and to further develop our community projects. We continue to place great importance on sharing a good understanding of Islam with our non-Muslim neighbours.

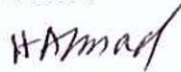
Rabbaniah Islamic Cultural Centre

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

Year ended 5 September 2021

The trustees' annual report was approved on 05-07-2022 and signed on behalf of the board of trustees by:

Mr H Ahmad
Trustee



Mr R M Naeem
Trustee



Rabbaniah Islamic Cultural Centre

Independent Examiner's Report to the Trustees of Rabbaniah Islamic Cultural Centre

Year ended 5 September 2021

I report to the trustees on my examination of the financial statements of Rabbaniah Islamic Cultural Centre ('the charity') for the year ended 5 September 2021.

Responsibilities and basis of report

As the trustees of the company (and also its trustees 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

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.

SAK2020 Ltd.
Chartered Certified Accountants
Broadway House
Broadway
Cardiff
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Rabbaniah Islamic Cultural Centre

Statement of Financial Activities (including income and expenditure account)

Year ended 5 September 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	3	65,508	65,508	57,109
Total income		<u>65,508</u>	<u>65,508</u>	<u>57,109</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	4	34,048	34,048	29,626
Total expenditure		<u>34,048</u>	<u>34,048</u>	<u>29,626</u>
Net income and net movement in funds		<u>31,460</u>	<u>31,460</u>	<u>27,483</u>
Reconciliation of funds				
Total funds brought forward		345,024	345,024	317,541
Total funds carried forward		<u>376,484</u>	<u>376,484</u>	<u>345,024</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 13 form part of these financial statements.

Rabbaniyah Islamic Cultural Centre

Statement of Financial Position

5 September 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	7	113,161	113,161
Tangible fixed assets	8	377,963	379,338
		<u>491,124</u>	<u>492,499</u>
Current assets			
Cash at bank and in hand		4,358	1,233
Creditors: amounts falling due within one year	9	519	519
Net current assets		<u>3,839</u>	<u>714</u>
Total assets less current liabilities		494,963	493,213
Creditors: amounts falling due after more than one year	10	118,479	148,189
Net assets		<u>376,484</u>	<u>345,024</u>
Funds of the charity			
Unrestricted funds		376,484	345,024
Total charity funds	12	<u>376,484</u>	<u>345,024</u>

For the year ending 5 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' 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 trustees 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 5-7-22, and are signed on behalf of the board by:

Mr H Ahmad
Trustee

H Ahmad

Mr R M Naeem
Trustee

R. Naeem

The notes on pages 8 to 13 form part of these financial statements.

Rabbaniyah Islamic Cultural Centre

Notes to the Financial Statements

Year ended 5 September 2021

1. 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.

2. 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.

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.

Rabbannah Islamic Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 5 September 2021

2. Accounting policies *(continued)*

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.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Rabbaniah Islamic Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 5 September 2021

2. Accounting policies *(continued)*

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.

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:

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.

Rabbaniah Islamic Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 5 September 2021

2. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

3. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	53,000	53,000	51,506	51,506
Grants				
Furlough Grant	12,508	12,508	5,603	5,603
	<u>65,508</u>	<u>65,508</u>	<u>57,109</u>	<u>57,109</u>

4. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies - Donations	34,048	34,048	29,626	29,626

5. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>1,375</u>	<u>1,594</u>

Rabbaniah Islamic Cultural Centre

Notes to the Financial Statements (continued)

Year ended 5 September 2021

6. Staff costs

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

	2021	2020
	£	£
Wages and salaries	18,220	17,519
Employer contributions to pension plans	1,901	439
	<u>20,121</u>	<u>17,958</u>

The average head count of employees during the year was 2 (2020: 2).

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

7. Intangible assets

	Development costs £
Cost	
At 6 September 2020 and 5 September 2021	<u>113,161</u>
Amortisation	
At 6 September 2020 and 5 September 2021	<u>—</u>
Carrying amount	
At 5 September 2021	<u>113,161</u>
At 5 September 2020	<u>113,161</u>

8. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 6 September 2020 and 5 September 2021	<u>372,465</u>	<u>9,763</u>	<u>382,228</u>
Depreciation			
At 6 September 2020	—	2,890	2,890
Charge for the year	—	1,375	1,375
At 5 September 2021	<u>—</u>	<u>4,265</u>	<u>4,265</u>
Carrying amount			
At 5 September 2021	<u>372,465</u>	<u>5,498</u>	<u>377,963</u>
At 5 September 2020	<u>372,465</u>	<u>6,873</u>	<u>379,338</u>

9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	<u>519</u>	<u>519</u>

Rabbaniah Islamic Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 5 September 2021

10. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	117,488	147,560
Social security and other taxes	991	629
	<u>118,479</u>	<u>148,189</u>

11. 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 £1,901 (2020: £439).

12. Analysis of charitable funds

Unrestricted funds

	At 6 September 2020 £	Income £	Expenditure £	At 5 September 2021 £
General funds	<u>345,024</u>	<u>65,508</u>	<u>(34,048)</u>	<u>376,484</u>

	At 6 September 2019 £	Income £	Expenditure £	At 5 September 2020 £
General funds	<u>317,541</u>	<u>57,109</u>	<u>(29,626)</u>	<u>345,024</u>

Rabbaniah Islamic Cultural Centre

Management Information

Year ended 5 September 2021

The following pages do not form part of the financial statements.

Rabbaniah Islamic Cultural Centre

Detailed Statement of Financial Activities

Year ended 5 September 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	53,000	51,506
Furlough Grant	12,508	5,603
	<u>65,508</u>	<u>57,109</u>
Total income	<u>65,508</u>	<u>57,109</u>
Expenditure		
Costs of raising donations and legacies		
Wages and salaries	18,220	17,519
Staff Pension	1,901	439
Rates & water	3,306	271
Light & heat	4,380	5,818
Repairs & maintenance	2,511	1,227
Insurance	1,817	1,015
Sundry Expense	273	133
Legal and professional fees	—	712
Printing, Postage and Stationery	—	261
Depreciation	1,375	1,594
Bank Charge	—	20
Cleaning	—	617
Motor expense	93	—
Subscription fee	172	—
	<u>34,048</u>	<u>29,626</u>
Total expenditure	<u>34,048</u>	<u>29,626</u>
Net income	<u>31,460</u>	<u>27,483</u>

Rabbaniah Islamic Cultural Centre

Notes to the Detailed Statement of Financial Activities

Year ended 5 September 2021

	2021 £	2020 £
Expenditure		
Costs of raising donations and legacies - Donations		
Wages and salaries	18,220	17,519
Staff Pension	1,901	439
Rates & water	3,306	271
Light & heat	4,380	5,818
Repairs & maintenance	2,511	1,227
Insurance	1,817	1,015
Sundry Expense	273	133
Legal and professional fees	—	712
Printing, Postage and Stationery	—	261
Depreciation	1,375	1,594
Bank Charge	—	20
Cleaning	—	617
Motor expense	93	—
Subscription fee	172	—
	<u>34,048</u>	<u>29,626</u>
Costs of raising donations and legacies	<u>34,048</u>	<u>29,626</u>