

Charity Registration No. 231920

Company Registration No. 442394 (England and Wales)

THE LONDON CENTRAL MOSQUE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE LONDON CENTRAL MOSQUE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Council of Management	Embassy of the State of Kuwait (Chairman) Embassy of The Sultanate of Oman (Vice Chairman) Royal Embassy of Saudi Arabia (Treasurer) Embassy of Bahrain Embassy of Indonesia Embassy of Hashemite Kingdom of Jordan Embassy of Republic of Yemen Embassy of The Kingdom of Morocco Embassy of the State of Qatar Embassy of the United Arab Emirates High Commission for Brunei High Commission for the Islamic Republic of Pakistan Kingdom of Malaysia Dr A Al-Dubayan Embassy of Turkey Embassy of the Arab Republic of Egypt People's Democratic Republic of Algeria Embassy of Sudan Embassy of Tunisia Embassy of Libya Embassy of the Republic of Senegal High Commission for the People's Republic of Bangladesh Embassy of Lebanon
Secretary	Dr A Al-Dubayan
Charity number	231920
Company number	442394
Principal address	146 Park Road London NW8 7RG
Registered office	146 Park Road London NW8 7RG
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom
Bankers	Ahli United Bank 35 Portland Square London W1H 6LR

THE LONDON CENTRAL MOSQUE TRUST LIMITED

CONTENTS

	Page
Council of Management's report	1 - 7
Statement of Council of Management's responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 29

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Council of Management, being the Trustees of London Central Mosque Trust Limited ("**London Central Mosque & Islamic Cultural Centre**"), present their report and financial statements for the year ended **31 December 2021**. This report is also the director's report required by Company Law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles, the Companies Act 2006 and "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 2019)".

Public Benefit

Trustees of a charity have a duty to report in their Annual Report on their charity's public benefit. The Trustees of The London Central Mosque have considered the requirements, which are explained on the Charity Commission website.

The following sections of this report set out The London Central Mosque's aims and priorities, and report on the activity and successes in the year, as well as explaining the plans for the current financial year. The London Central Mosque's work benefits many organisations and individuals across London and the UK and abroad.

The Trustees have considered this matter and concluded:

1. That the aims of the organisation continue to be charitable.
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need.
3. That the benefits for the public, are not unreasonably restricted in any way.
4. That there is no detriment or harm arising from the aims or activities

Objectives and activities

- To provide a place of worship for the multi-ethnic community of Sunni Muslims in London and Britain.
- To propagate and expand the teachings and the message of Islam as a compassionate religion encompassing all Sunni schools of thought and in total compliance with the law of the land.
- To establish liaison and work with government, voluntary sector, local authority, statutory bodies and other agencies and individuals for the mutual benefit of all.
- To seek and build better understanding of Islam and other communities through interfaith and multicultural activities. Liaising for cooperation, dialogue and relations between Muslims and other faiths.
- To support interfaith relations, building bridges of good relation in the society, the empowerment of women and youth engagement.
- To provide cultural and educational facilities.
- To contribute to social services.
- To support cultural values and cultural knowledge in the society.

Review of activities

The London Central Mosque Trust Ltd & the Islamic Cultural Centre is a place of worship and a cultural centre for Muslims, which is a focus for Islamic faith, learning and culture. It is a place where the teachings and the message of Islam create a spirit of tolerance and harmony for the Muslim community in London and throughout the United Kingdom and for society as a whole. It is frequented by thousands of worshippers weekly. This status has enabled it to provide a large number of activities to educate and encourage Muslims to assume positive roles in their communities and the society in which they live.

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

It has been decided to leave the Islamic Exhibition open indefinitely to serve the group visits as well as individual visits to the Centre.

The Centre is continuing its cooperation with **Ilesco** in Rabat, **Alecso** in Tunisia, **Institute of Arabic Manuscripts, Al-Azhar** in Cairo, **Muslim World League** in Makkah, **Ministry of Islamic Affairs** in Riyadh, **International Islamic Fiqh Academy** in Jeddah, and the **Imam Tirmizi Cultural Centre** in Uzbekistan.

Our involvement with governmental and non-governmental bodies and other organisations is done mainly with the idea of providing a better service to the British society. To promote **integration**, improve the **engagement** with the Muslim Communities, and supporting charitable works in the U.K and abroad, we receive Lords, members of Parliament, the CEO of the Charity Commission and senior members of the Police and Home Office.

The Education unit is carrying on business with more than 400 students in the Weekend School. Classes were again oversubscribed. Courses of Arabic for Non-speakers and different Islamic studies in different languages have received a great response since we re-started them.

We aim to make the London Central Mosque & the Islamic Cultural Centre a place where Muslims can grow in their faith peacefully as citizens of **a multi-cultural society in the U.K.** An essential part of our work is therefore, with the wider society.

A great number of visitors and hundreds of schools, as part of their multicultural studies, visit the Mosque annually, as do University students of theology, social studies etc. We organise guided tours with an introduction to the principles of Islam upon request.

Interfaith dialogue is an important component of our activities to raise the level of understanding and good relations among faith followers in one society, and we also publish (since 1954) a prestigious academic journal, "**The Islamic Quarterly**".

Knowledge is at the heart of our religion and the library was always intended to be a centre for the study of Islam and is open five days a week. The library continues its service for the public since it was refurbished.

The London Central Mosque & Islamic Cultural Centre is constantly looking to find ways to reform its services, with its limited resources, to cater for the ever increasing and changing demands of the British Society.

There is more to do

We would like to offer the community the sort of experience we and they would want. We are working in partnership with voluntary organisations, local authorities governmental bodies and other organizations. We have established relationship with other bodies locally, nationally, and internationally with the aim of furthering our objectives.

The London Central Mosque & Islamic Cultural Centre as a charity is constantly trying, based on our ability, to contribute more to **social services** and activities **promoting women**, helping **poor individuals, refugees, orphans**, and families, especially in the economic circumstances now in the U.K. One of the initiatives we started is the Commission of Fatwa and Sharia Affairs to help Muslim Communities in personal issues such as marriage, divorce of Islamic marriages in total compliance with the law of the land.

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising activities

The charity is not registered with either the Fundraising Regulator or the Fundraising Institute. The charity has raised **£782,827** through voluntary donations which were collected through 3 main sources:

1. **Online Donations** through the website
2. **Collection boxes** on the premises to collect cash donations
3. **Direct Donations** received through the bank

Fundraising from individuals is carefully controlled following internal guidelines and all public donations involve individuals directly approaching the Charity. No professional fundraisers were used during the year. Instead, the Head of Finance is responsible for overseeing compliance with regulations and best practice. There are no complaints recorded and no cold calling has taken place.

Financial review

The charity had net outgoing resources in 2021 of £80,342 (2020: £426,521). There were gains on investments of £83,510 (2020: losses of £168,169).

Structure, governance, and management

The charity is a company limited by guarantee and not having share capital.

The London Central Mosque & Islamic Cultural Centre is trustee of the trusts relating to the property at **146 Park Road, London NW8**, known also as **Regent's Lodge**, where the London Central Mosque and Islamic Cultural Centre are situated, and also acts as trustee to **two charities** jointly registered with the Charity Commissioners (Registration No. **231920**), The London Central Mosque (Algame) Fund and the London Nizamiah Mosque Trust.

The London Central Mosque & Islamic Cultural Centre was established in 1944 with two of its objectives being the building of a mosque and the founding of a cultural and religious centre in London for the Muslim community of Great Britain. In 1945, following an offer made on behalf of **the Crown** by **the Commissioners of Crown Lands**, the London Central Mosque & Islamic Cultural Centre became trustee of Regent's Lodge, and since that date has organised religious and cultural activities on the site, while seeking to obtain funding necessary for the construction of a mosque. After a donation from **HM King Faisal of Saudi Arabia** construction commenced in 1973, and in 1978 the main building complex was completed. Another building for administration was added in the site during the 90's of the 20th Century through the donation of **HM King Fahad of Saudi Arabia**. After 2001 the boundary wall was built with the donation of **H.M. Sultan Qaboos of Oman**, and the front gate with a donation from **H.R.H Sh. Hamad Al Thani, Amir of Qatar**.

Under the terms of the Memorandum of Association of the London Central Mosque & Islamic Cultural Centre, it may also act as trustee of any other trust relating to matters concerned with the Muslim faith. In the event of the company winding up, every member of the Council of Management undertakes to contribute to the assets of the London Central Mosque & Islamic Cultural Centre an amount not exceeding £1 each.

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also directors of the company for the purposes of Company Law, who served during the year, and up to the date of approval of these financial statements, are:

No.	Country	Representatives' Name
1	Bahrain	H.E. Shaikh Fawaz Bin Mohammed Al Khalifa
2	Brunei	H.E First Admiral (r) Pengiran Dato Norazmi Pengiran
3	Indonesia	H.E. Dr Rizal Sukma
4	Jordan	H.E Mr Manar M. Dabbas
5	Kuwait	H.E Khaled Al Duwaisan
6	Malaysia	H.E. Mr Zakri Jaafar
7	Morocco	Mr Hakim Hajoui
8	Oman	H.E Abdulaziz Abdullah Zahir Al Hinai
9	Pakistan	H.E. Mr Moazzam Ahmad Khan
10	Qatar	H.E Mr Fahad Mohammed Al-Attiyah
11	Saudi Arabia	HRH Prince Khalid bin Bandar bin Sultan Al Saud
12	UAE	H.E. Mansoor Abdullah Khalfan Juma Abulhoul
13	Yemen	H.E Dr Yassin Saeed Noman Ahmed
14	Turkey	H.E. Mr Umit Yalcin
15	Egypt	H.E. Mr Sherif Ahmed Mahmoud Kamel
16	Algeria	H.E. Mr Lounes Magramane
17	Sudan	H.E. Mr Mohamed Abdalla Idris Mohamed
18	Tunisia	H.E. Mr Nabil Ben Khedher
19	Libya	H.E Mr Salah Mrehil
20	Senegal	H.E. Dr Fatimata Dia
21	Bangladesh	H.E. Ms Saida Muna Tasneem
22	Lebanon	H.E. Mr Rami Mortada
23	Dr. Ahmad Al Dubayan	(Director General)

THE LONDON CENTRAL MOSQUE TRUST LIMITED

(A COMPANY LIMITED BY GUARANTEE)

COUNCIL OF MANAGEMENT'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, being ambassadors of some different Muslim countries, and the director general are only appointed and recruited by the Trustees themselves at a meeting with approval of the chairman. Reports and leaflets are sent to Trustees for training every time.

The senior management team is made up of:

1. **H.E. Mr Khaled Al Duwaisan**, The Kuwaiti ambassador; as chairman
2. **H.E. Mr, Abdulaziz Abdullah Zahir Al Hinai** the Omani ambassador, as Deputy Chairman.
3. **HRH Prince Khalid bin Bandar bin Sultan Al Saud**, The Saudi ambassador; as Treasurer
4. **Dr Ahmad Al Dubayan**, the Director General, as Executive Director.

The Director General, being a Trustee, was appointed to manage the day to day running and management of the Centre on behalf of the Board of Trustees. He is responsible for overall strategic planning, policies, project development and management of all staff, externally seconded staff, volunteers, and service providers.

The members of the Board give their time freely and derive no benefit, apart from those disclosed under Note 10 in the financial statements.

Based on the missions of the Centre, the Centre and its management face some risks and challenges such as:

- Shortage of finance and resources. The Director General is working with the Chairman, the Deputy Chairman, and the Treasurer to secure more finance with the help of the trustees.
- Preventing any form of misunderstanding or misinterpretation of faith, which could lead to radicalisation or intolerance. Our director general, imams and teachers are giving talks after prayers, speeches, lectures, courses, and trainings. We do not allow members of the public to give talks. It is our mission to establish and develop education at all levels to encourage greater understanding of Islam and its role in society.
- Ensuring security of the British society around the Centre by installing CCTV Cameras all around and inside the building. We do not allow fund raising in the premises from any outsiders; Our work with the Police to stop the public from collecting money on the pavements on Friday when about **5,000 people** use the facilities of the Centre have been hugely successful. We aim to secure safety and security of the worshippers and visitors, but still more needs to be done to avoid any possibility of attacks on the worshippers and the building: The Centre uses the service of a private security firm, which was extended many years ago to twenty-four hours per day. The number of security men and hours have been increased, despite limited resources. We coordinate with **the Police and the local authorities** for huge congregations on **Eid days** and weekly **Friday prayers** which are attended by some five thousand (5,000) worshippers. There is a huge Police presence on that day.

Risk management

The Board of Trustees is responsible for the overseeing of the risks faced by the charity. Detailed considerations of risk are delegated to the Director General. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, projects, and events.

The Trustees consider that the **Covid-19** pandemic is unlikely to cause significant ongoing disruption to the charity's income and continuing activities. Measures taken by various governments to contain the virus have affected economic activity. Following the instructions of the authorities, we have taken several measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for our staff and visitors (such as social distancing, face mask requirements, vigorous cleaning routines and working from home).

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

We will continue to follow the various government policies and advice and, in parallel, we will do our utmost to continue our operations in the best and safest way possible.

Through the risk management processes established for the charity, the Board are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Difficulties Experienced in 2021 due to the Pandemic

The Centre was closed as per the government guidelines from January 2021 to March 2021. Due to the closure all charitable activities were placed on hold unless they could be conducted online, or from home by our staff. The following services were negatively impacted:

- Zakat, due to the closure the number of Zakat applicants the Centre received reduced by around **80%**. This has led to a decrease in our charitable expenditure for these months. When the Centre was fully operational, the monthly expenditure on Zakat was around **£3,500**, however due to closure this has reduced to less than **£1,000**.
- Many of the free classes and courses were cancelled.
- All future events were either put on hold, or cancelled, including new courses, interfaith events, VIP visits and new social programmes.

The closure of the Mosque also led to a significant decrease to charitable donations received via the collection boxes, between January 2021 to March 2021. In this period no donations were received from the public via the collection boxes. Based on the income received from collection boxes in 2019, the Trustees realise that around **£87,000** has been lost in income for the period concerning the closure. Had it not been for the furlough scheme, which the Centre heavily relied on, we would not have been able to cope with staff costs, we were able to save over £80,000 in wages and salaries costs.

The Centre only received rental income from one of the businesses on its premises (mortuary £4,500 monthly) the bookshop, gift shop and restaurant were closed and only opened in June 2021. The Trustees have considered the detrimental impact that this has had on the income, over £191,000 has been lost. We are still in negotiation with the lessees and are planning to recover at least some of the money lost.

Investment policy

The Charity's investment policy is to maintain the value of investments, and the trustees regard long term capital growth, rather than the production of a good income, as its prime objective.

Reserve policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to four months' expenditure of approximately **£390,000**. Furthermore, such reserves take into consideration the future **refurbishment work** that will be carried on during the next year. 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 charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year and at the year end free reserves were **£2,206,138**.

THE LONDON CENTRAL MOSQUE TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COUNCIL OF MANAGEMENT'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that HW Fisher LLP be reappointed as auditor of the company will be put to the Annual General Meeting.

On behalf of the Council of Management.

Dr. Ahmad Al Dubayan
Trustee
Director General

Dated: 01 December 2022

THE LONDON CENTRAL MOSQUE TRUST LIMITED

STATEMENT OF COUNCIL OF MANAGEMENT'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Council of Management are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Council of Management 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 its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these financial statements, the Council of Management 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Council of Management are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE LONDON CENTRAL MOSQUE TRUST LIMITED

Opinion

We have audited the financial statements of The London Central Mosque Trust Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including 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 charitable company's affairs as at 31 December 2021 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Council of Management's 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 Council of Management 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 Council of Management are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

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 directors' report included within the Council of Management's report.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE LONDON CENTRAL MOSQUE TRUST LIMITED

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council of Management's report and from the requirement to prepare a strategic report.

Responsibilities of Council of Management

As explained more fully in the Statement of Council Of Management's Responsibilities, the Council of Management, who are also the directors of the charity for the purpose of company law, 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 directors 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 Council of Management 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 Council of Management either intend to liquidate the company 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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity (The Charities SORP, FRS 102, The Companies Act 2006).
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing revenue for evidence of management bias.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing the minutes of the Council of Management.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE LONDON CENTRAL MOSQUE TRUST LIMITED

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with those charged with governance of the entity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rich (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

01 December 2022

THE LONDON CENTRAL MOSQUE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

		Unrestricted funds general 2021	Unrestricted funds designated 2021	Restricted funds 2021	Total 2021	Total 2020 As restated
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Voluntary income	3	758,614	-	24,213	782,827	624,201
Incoming resources from charitable activities	4	6,493	-	-	6,493	4,882
Other trading activities	5	214,287	-	-	214,287	165,060
Investment and rental income	6	167,530	-	-	167,530	176,336
Other incoming resources	7	137,707	-	-	137,707	102,161
Total income		1,284,631	-	24,213	1,308,844	1,072,640
<u>Expenditure on:</u>						
Charitable activities	8	1,254,154	193,644	24,898	1,472,696	1,330,992
Net gains/(losses) on investments	12	83,510	-	-	83,510	(168,169)
Net incoming/(outgoing) resources before transfers		113,987	(193,644)	(685)	(80,342)	(426,521)
Gross transfers between funds		(8,095)	8,095	-	-	-
Net movement in funds		105,892	(185,549)	(685)	(80,342)	(426,521)
Fund balances at 1 January 2021						
As originally reported		2,100,246	6,839,422	234,345	9,174,013	9,588,428
Prior year adjustment	24	-	(239,982)	-	(239,982)	(227,876)
As restated		2,100,246	6,599,440	234,345	8,934,031	9,360,552
Fund balances at 31 December 2021		2,206,138	6,413,891	233,660	8,853,689	8,934,031

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 As restated £	Restricted funds 2020 £	Total 2020 As restated £
	Notes				
<u>Income and endowments from:</u>					
Voluntary income	3	606,796	-	17,405	624,201
Incoming resources from charitable activities	4	4,882	-	-	4,882
Other trading activities	5	165,060	-	-	165,060
Investment and rental income	6	176,336	-	-	176,336
Other incoming resources	7	102,161	-	-	102,161
Total income		1,055,235	-	17,405	1,072,640
<u>Expenditure on:</u>					
Charitable activities	8	1,092,173	210,837	27,982	1,330,992
Net gains/(losses) on investments	12	(168,169)	-	-	(168,169)
Net incoming/(outgoing) resources before transfers		(205,107)	(210,837)	(10,577)	(426,521)
Gross transfers between funds		(33,963)	44,599	(10,636)	-
Net movement in funds		(239,070)	(166,238)	(21,213)	(426,521)
Fund balances at 1 January 2020					
As originally reported		2,339,316	6,993,554	255,558	9,588,428
Prior year adjustment	24	-	(227,876)	-	(227,876)
As restated		2,339,316	6,765,678	255,558	9,360,552
Fund balances at 31 December 2020		2,100,246	6,599,440	234,345	8,934,031

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		6,472,550		6,658,099
Investments	14		763,849		680,339
			<u>7,236,399</u>		<u>7,338,438</u>
Current assets					
Debtors	16	66,608		164,299	
Cash at bank and in hand		1,867,850		1,722,011	
		<u>1,934,458</u>		<u>1,886,310</u>	
Creditors: amounts falling due within one year	17	<u>(300,352)</u>		<u>(269,182)</u>	
Net current assets			1,634,106		1,617,128
Total assets less current liabilities			8,870,505		8,955,566
Creditors: amounts falling due after more than one year	18		(16,816)		(21,535)
			<u>(16,816)</u>		<u>(21,535)</u>
Net assets			<u>8,853,689</u>		<u>8,934,031</u>
Income funds					
Restricted funds	19		233,660		234,345
<u>Unrestricted funds</u>					
Designated funds	20	6,413,891		6,599,440	
General unrestricted funds		<u>2,206,138</u>		<u>2,100,246</u>	
			8,620,029		8,699,686
			<u>8,853,689</u>		<u>8,934,031</u>

The financial statements were approved by the Council of Management on 1 December 2022

Dr A Al-Dubayan
Trustee

Company Registration No. 442394

THE LONDON CENTRAL MOSQUE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	22		(8,877)		(354,647)
Investing activities					
Purchase of tangible fixed assets		(8,095)		(44,599)	
Investment and rental income		167,530		176,336	
Net cash generated from investing activities			159,435		131,737
Financing activities					
Payment of obligations under finance leases		(4,719)		(4,719)	
Net cash used in financing activities			(4,719)		(4,719)
Net increase/(decrease) in cash and cash equivalents			145,839		(227,629)
Cash and cash equivalents at beginning of year			1,722,011		1,949,640
Cash and cash equivalents at end of year			1,867,850		1,722,011

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

The London Central Mosque Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 146 Park Road, London, NW8 7RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles, the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Council of Management have continued to closely monitor the ongoing effect of the Covid-19 pandemic on the entity. There has been a rise in income this year due to the Mosque being open for a longer period in the year and the recovery of voluntary donations received and rent. The Council of Management are still taking steps to restore the charity's reserves through various measures including increasing the monthly rent for some premises, attracting donations through the entity's online platform and more. The measures the Council of Management have taken have proven to be successful and although there has been a slight disruption to the charity's activities the Council of Management are confident that the charity can continue as a going concern and have a reasonable expectation that the charity has adequate free reserves and resources to continue in operation for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are general funds that are available for use at the discretion of the Council of Management in furtherance of the objectives of the charity.

Designated funds reflect the funding of the charity's tangible fixed assets, and are therefore not available for expenditure.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenses are included in the financial statements as they become due.

Expenses include VAT where applicable as the company cannot reclaim it.

Costs of generating funds are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the charity's profile within the sector.

Expenditure relating to Running the Mosque are those elements of expenditure directly incurred in performing these activities.

Support costs comprise costs incurred directly in support of expenditure on the objects of the charity and are allocated to the one charitable activity.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land & freehold property	10 - 100 years straight line on cost
Fixtures, fittings & equipment	10 years straight line on cost
Motor vehicles	10 years straight line on cost

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the net sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Employee benefits

The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/ (expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Government Grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the performance model.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Council of Management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. There were no material critical accounting estimates or judgements made in either year.

3 Voluntary income

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	758,614	24,213	782,827	606,796	17,405	624,201

4 Incoming resources from charitable activities

	Income from literature sales 2021 £	Income from literature sales 2020 £
Sales within charitable activities	6,493	4,882

5 Other trading activities

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Weekend school fees	90,795	103,883
Arabic classes	38,202	19,442
Martial services and hall bookings	73,925	35,666
Other activities	11,365	6,069
Other trading activities	214,287	165,060

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Investment and rental income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Rental income	146,433	144,634
Income from listed investments	21,095	31,677
Interest receivable	2	25
	<hr/>	<hr/>
	167,530	176,336
	<hr/>	<hr/>

7 Other incoming resources

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Job retention scheme grant income	137,707	102,161
	<hr/>	<hr/>

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Running of the Mosque 2021 £	Running of the Mosque 2020 £
Staff costs	200,080	205,663
Depreciation and impairment	193,644	210,837
Cultural Events, education and relief of hardship	167,110	118,484
Light and Heat	98,230	75,345
Postage	4,468	3,317
Telephone	10,209	8,324
Bad debts	84,900	-
Literature Sales	5,741	10,683
Repairs and Maintenance	43,407	101,032
Insurance	27,226	28,143
Rates	(23,379)	29,547
Security, legal and professional	264,367	205,398
Sundry	3,843	7,086
	<u>1,079,846</u>	<u>1,003,859</u>
Share of support costs (see note 9)	379,050	315,733
Share of governance costs (see note 9)	13,800	11,400
	<u>1,472,696</u>	<u>1,330,992</u>
Analysis by fund		
Unrestricted funds - general	1,254,154	1,092,173
Unrestricted funds - designated	193,644	210,837
Restricted funds	24,898	27,982
	<u>1,472,696</u>	<u>1,330,992</u>

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	201,830	-	201,830	173,942	-	173,942
Legal and professional	123,164	-	123,164	106,406	-	106,406
Printing, stationary and advertising	11,696	-	11,696	10,132	-	10,132
Travelling and motor expenses	18,130	-	18,130	14,903	-	14,903
Other costs	24,230	-	24,230	10,350	-	10,350
Audit fees	-	13,800	13,800	-	11,400	11,400
	<u>379,050</u>	<u>13,800</u>	<u>392,850</u>	<u>315,733</u>	<u>11,400</u>	<u>327,133</u>
Analysed between						
Charitable activities	<u>379,050</u>	<u>13,800</u>	<u>392,850</u>	<u>315,733</u>	<u>11,400</u>	<u>327,133</u>

Governance costs include payments to the auditors of £13,800 (2020 - £11,400) for audit fees and £nil (2020 - £nil) for other services.

10 Council of Management

Other than the Director General, none of the members of the Council of Management (or any persons connected with them) received any remuneration or benefits from the charity during the year.

The Director General is provided with rent free accommodation at the London Central Mosque & Islamic Cultural Centre. The market rental value for this accommodation is estimated to be £78,000 per annum.

During the year there were no trustee expenses incurred (2020: £nil).

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Running of the Mosque	33	35
Support	8	9
	<u>41</u>	<u>44</u>

Employment costs

	2021 £	2020 £
Wages and salaries	373,479	354,656
Social security costs	23,115	20,256
Other pension costs	5,316	4,693
	<u>401,910</u>	<u>379,605</u>

The trustees, represented by ambassadors and Dr Ahmed are considered to be the senior management team. None of the ambassadors or Dr Ahmed receive remuneration from the Mosque for their services. Dr Ahmed is sponsored by the Ministry of Islamic Affairs of Saudi Arabia.

There were no employees whose annual remuneration was £60,000 or more.

12 Net gains/(losses) on investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Revaluation of investments	<u>83,510</u>	<u>(168,169)</u>

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Tangible fixed assets

	Land & freehold property As restated	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2021	9,980,450	693,529	38,725	10,712,704
Additions	-	8,095	-	8,095
Disposals	-	(89,482)	-	(89,482)
At 31 December 2021	9,980,450	612,142	38,725	10,631,317
Depreciation and impairment				
At 1 January 2021	3,490,265	556,595	7,745	4,054,605
Depreciation charged in the year	166,529	23,242	3,873	193,644
Eliminated in respect of disposals	-	(89,482)	-	(89,482)
At 31 December 2021	3,656,794	490,355	11,618	4,158,767
Carrying amount				
At 31 December 2021	6,323,656	121,787	27,107	6,472,550
At 31 December 2020	6,490,185	136,934	30,980	6,658,099

The London Central Mosque Trust Limited holds as trustee the property at Regent's Lodge which is subject to certain restrictions imposed by the Commissioners of Crown Lands, authority for full control of this land rests with the crown. The London Central Mosque is required to pay a yearly rate to the Crown Estate Paving Commission CEPC for the range of services provided by the CEPC for the domestic and business residents of the Regent's Park estate.

14 Fixed asset investments

	2021 £	2020 £
Listed investments	763,849	680,339

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 January 2021	680,339
Valuation changes	83,510
At 31 December 2021	763,849
Carrying amount	
At 31 December 2021	763,849
At 31 December 2020	680,339

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15	Financial instruments	2021	2020
		£	£
	Carrying amount of financial assets		
	Equity instruments measured at fair value	763,849	680,339
		<u></u>	<u></u>
16	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Other debtors	64,110	164,299
	Prepayments and accrued income	2,498	-
		<u>66,608</u>	<u>164,299</u>
		<u></u>	<u></u>
17	Creditors: amounts falling due within one year	2021	2020
		£	£
	Obligations under finance leases	4,719	4,719
	Other creditors	196,391	196,449
	Accruals and deferred income	99,242	68,014
		<u>300,352</u>	<u>269,182</u>
		<u></u>	<u></u>
<p>The accruals and deferred income balance includes deferred income of £71,613 (2020: £49,874) which relates to weekend school fees which are received in advance for the academic year which runs from September to July. The prior year deferred income was released in full in the current year.</p>			
18	Creditors: amounts falling due after more than one year	2021	2020
		£	£
	Obligations under finance leases	16,816	21,535
		<u></u>	<u></u>

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds		Transfers	Balance at 1 January 2021	Movement in funds		Resources expended	Balance at 31 December 2021
	£	Incoming resources	Resources expended		£	Incoming resources	Resources expended		£
Muslim Relief fund	140,647	17,405	(20,733)	-	137,319	24,213	(24,523)		137,009
Project/Care of Muslim prisoners	27,323	-	(800)	-	26,523	-	(375)		26,148
Publications and distributions	14,243	-	(5,055)	-	9,188	-	-		9,188
Muslim cemetery	58,659	-	-	-	58,659	-	-		58,659
New Muslims Project	768	-	(385)	-	383	-	-		383
Renovation works	13,918	-	(1,009)	(10,636)	2,273	-	-		2,273
	255,558	17,405	(27,982)	(10,636)	234,345	24,213	(24,898)		233,660

Muslim Relief fund - this is for use in disasters affecting Muslim people worldwide.

Project/Care of Muslim Prisoners - this sum is to go towards helping Muslim prisoners to buy books, helping their families and also helping them when they come out of prison to settle down to a normal life.

Publications and distributions - this money is for writing and publishing books by the Centre. It is also to be used to buy books for free distributions to the general public.

Muslim cemetery - this is land held to provide a cemetery for Muslim burials. This is not yet in use.

New Muslims Project - this money is to be used for the New Muslim program being run at the Centre or outside for lunch, books, paying for speakers and equipment, hall booking and so on.

Renovation works - this amount is to contribute to the renovation of the Mosque.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Designated funds

The income funds of the charity include the following designated funds which reflect the funding of the charity's tangible fixed assets, and are therefore not available for expenditure:

	Balance at 1 January 2020	Resources expended	Transfers	Balance at 1 January 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£
Fixed assets fund	6,765,678	(210,837)	44,599	6,599,440	(193,644)	8,095	6,413,891
	<u>6,765,678</u>	<u>(210,837)</u>	<u>44,599</u>	<u>6,599,440</u>	<u>(193,644)</u>	<u>8,095</u>	<u>6,413,891</u>

The fixed asset fund is the net book value of all assets held which are not restricted. The transfer represents the net movement in additions and depreciation on the unrestricted assets for the year.

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21	Analysis of net assets between funds	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Fund balances at 31 December 2021 are represented by:								
	Tangible assets	-	6,413,891	58,659	6,472,550	-	6,599,440	58,659	6,658,099
	Investments	763,849	-	-	763,849	680,339	-	-	680,339
	Current assets/(liabilities)	1,459,105	-	175,001	1,634,106	1,441,442	-	175,686	1,617,128
	Long term liabilities	(16,816)	-	-	(16,816)	(21,535)	-	-	(21,535)
		2,206,138	6,413,891	233,660	8,853,689	2,100,246	6,599,440	234,345	8,934,031

THE LONDON CENTRAL MOSQUE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

22	Cash generated from operations		2021	2020
			£	£
	Deficit for the year		(80,342)	(426,521)
	Adjustments for:			
	Investment and rental income recognised in statement of financial activities		(167,530)	(176,336)
	Fair value gains and losses on investments		(83,510)	168,169
	Depreciation and impairment of tangible fixed assets		193,644	210,837
	Movements in working capital:			
	Decrease/(increase) in debtors		97,691	(27,134)
	Increase/(decrease) in creditors		31,170	(103,662)
	Cash absorbed by operations		(8,877)	(354,647)
23	Analysis of changes in net funds			
		At 1 January 2021	Cash flows	At 31 December 2021
		£	£	£
	Cash at bank and in hand	1,722,011	145,839	1,867,850
	Obligations under finance leases	(26,254)	4,719	(21,535)
		<u>1,695,757</u>	<u>150,558</u>	<u>1,846,315</u>
24	Prior period adjustment			

In prior years, all additions to freehold land and property were depreciated over 100 years. A number of the additions made in prior years were of items with a significantly shorter useful life which was not properly recognised. An adjustment has been made to reflect a realistic useful life for these assets. This has resulted in a cumulative additional depreciation charge of £239,982 as at 1 January 2021 and £227,876 as at 1 January 2020.