

**HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**  
**Financial Statements**  
**30 April 2022**

**DRAFT ACCOUNTS**

**SALEEMI ASSOCIATES**

Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Financial Statements**

**Year ended 30 April 2022**

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# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Trustee's Annual Report *(continued)*

### Year ended 30 April 2022

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The trustee presents his report and the financial statements of the charity for the year ended 30 April 2022.

#### Reference and administrative details

**Registered charity name** HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

**Charity registration number** 264824

#### Principal office

367 Wellington Road South  
Hounslow  
Middlesex  
TW4 5HU

#### The trustee

R G Ali	Chairman
M Ajaib	Vice Chairman
S Rehman	General Secretary
Z Awan	Joint Secretary
M Rashad	Treasurer
N Akhtar	Joint Treasurer
J Akhter	
A Majid	
S Ali	
W Hussain	
T Masood	

#### Auditor

Saleemi Associates  
Chartered accountants & statutory auditor  
792 Wickham Road  
Croydon CR0 8EA

# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Trustee's Annual Report** *(continued)*

**Year ended 30 April 2022**

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

The trust is an unincorporated trust and is a registered charity, number 264824. The trustees will be elected by the members of the masjid and serve for five years after which period they may put themselves forward for re-election. The constitution provides for a minimum of 6 trustees, to a maximum of 11 trustees. At the trustees' monthly meeting, the trustees agree the strategy and areas of activity for the Trust, including consideration of donation making, reserves and risk management policies and performance.

### **Objectives and activities**

The fundamental belief of the Trust is LA ILAHA ILLALLAAH MUHAMMADUR RASULALLAH that there is no god but one God, ALLAH and Muhammed (peace be upon him) is His Prophet. The Trust's main objective is to advance Islam and in particular the Sunni Muslim faith. The trust within its core objectives provides a number of services for the community including educational, recreational, funeral, marriage and a particular focus on activities for the youth and our sister's.

### **Achievement and performance**

The last year has seen the Mosque return to its previous years of steady operations and community service. We have been able to secure partnerships with the local police, care homes and prisons allowing for training and workshops to be held both within our premises and at the respective organisation's. Over 20 school visits took place over the year where 300 plus children were introduced to the Mosque and its important role in Hounslow. Our youth division have hosted a charity cricket tournament, an external charity football tournament.

We have successfully delivered an Eid Mela extravaganza in our car park with funfair rides and stalls. Not forgetting our Ramadan service offering where we once again served 1000 people daily with free food – via drive through collection. Our annual street Iftar returned also at The Bell Square in Hounslow showcasing our charitable work.

Our educational classes have grown with lessons being held on site and online and we have introduced a ladies reading club exclusively for sisters to come, read and discuss a book. Hugely successful kickboxing sessions have been running weekly for boys aged 12 and above, giving them the opportunity to enjoy an evening of fitness in a safe environment. The Mosque's social media presence is one of the most active of Mosques in the UK – the TikTok launch has proven hugely popular with the youngsters enjoying the messages being sent

### **Financial review**

In the face of rising security and overhead costs, the Charity has strived to again keep costs as low as possible without compromising our quality of service. The extension project has continued albeit at a slower pace due to funding issues. The impact of Covid was evident in the year as the closure of the centre, meant donations were not forthcoming. We have slowly started to rebuild but it has been a difficult period. With Ramadan approaching we hope that people will be able to support as they have done so in the past at pre-pandemic levels. We hope to generate an extra £2k a week in this month, as this is traditionally a month where people give more. Since the end of the pandemic donations and school fee income has increased substantially. We have been looking at different ways our donors can support the Mosque financially. We do have options for standing orders and monthly direct debits and have been appealing for generous permanent donations rather than Qard-e-Hasana (loan repaid over time). Our website does bring in minimal income with donation options to support the Mosque.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Trustee's Annual Report *(continued)*

**Year ended 30 April 2022**

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### **Reserve policy**

The free reserves in unrestricted fund is below the required level by our reserve policy which is equates to approximately one month of unrestricted charitable expenditure, equivalent to £50,000. However the trustee intend to increase the reserves as follows:

Ramadan £80,000

Gift aid £142,783

Fundraising activities £300,000

### **Risk and uncertainties**

Charity has developed an approach to risk management that allows it respond to risks and adapt how it operates. At the time of this report, the extent of uncertainty in our operating environment has never been greater. A number of the uncertainties are inherent to the Charity and present both risks to be managed and opportunities to improve both what we do and how we deliver our service.

### **Trustee's responsibilities statement**

The trustee is responsible for preparing the trustee's 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 trustee is 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 trustee is 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 him 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. He is 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.

# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Trustee's Annual Report** *(continued)*

**Year ended 30 April 2022**

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

Shafiq Rehman  
General Secretary

# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Independent Auditor's Report to the Members of HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

**Year ended 30 April 2022**

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### **Opinion**

We have audited the financial statements of HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE (the 'charity') for the year ended 30 April 2022 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 30 April 2022 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 trustee'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 trustee with respect to going concern are described in the relevant sections of this report.

# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Independent Auditor's Report to the Members of HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE** *(continued)*

**Year ended 30 April 2022**

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### **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 trustee is 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 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 trustee's 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 trustee's 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 the trustee**

As explained more fully in the trustee's responsibilities statement, the trustee is 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 trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.



# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Independent Auditor's Report to the Members of HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE** *(continued)*

**Year ended 30 April 2022**

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### **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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 with the Charities SORP (FRS 102), UK tax legislation, pensions legislation, Anti Money Laundering regulation, General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation and health and safety regulation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity to operate or to avoid a material penalty. We evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant, voluntary income and school fee, recognition of grant expenditure and the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management, including senior management and internal accountant about their own identification and assessment of the risks of

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# **HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE**

## **Independent Auditor's Report to the Members of HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE** *(continued)*

**Year ended 30 April 2022**

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irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, detailed reviews of a sample of funding agreements for income and grant expenditure and reading minutes of meetings of those charged with governance.

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. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **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.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Statement of Financial Activities

Year ended 30 April 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	454,611	119,318	573,929	347,636
Charitable activities	5	115,665	655,079	770,744	716,710
Other trading activities	6	125,169	—	125,169	59,565
Other income	7	6,339	—	6,339	7,028
<b>Total income</b>		<u>701,784</u>	<u>774,397</u>	<u>1,476,181</u>	<u>1,130,939</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	—	113,103	113,103	32,360
Costs of other trading activities	9	158,726	—	158,726	69,464
Expenditure on charitable activities	10,11	502,126	676,806	1,178,933	1,092,233
<b>Total expenditure</b>		<u>660,852</u>	<u>789,909</u>	<u>1,450,762</u>	<u>1,194,057</u>
<b>Net income/(expenditure) and net movement in funds</b>		<u>40,932</u>	<u>(15,512)</u>	<u>25,419</u>	<u>(63,118)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		5,302,392	90,513	5,392,905	5,456,023
<b>Total funds carried forward</b>		<u>5,343,324</u>	<u>75,001</u>	<u>5,418,325</u>	<u>5,392,905</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 12 to 23 form part of these financial statements.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Statement of Financial Position

30 April 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	17	5,309,687	5,286,599
<b>Current assets</b>			
Debtors	18	142,783	227,705
Cash at bank and in hand		281,905	117,657
		<u>424,688</u>	<u>345,362</u>
<b>Creditors: amounts falling due within one year</b>	20	306,051	229,056
<b>Net current assets</b>		<u>118,637</u>	<u>116,306</u>
<b>Total assets less current liabilities</b>		5,428,324	5,402,905
<b>Creditors: amounts falling due after more than one year</b>	21	10,000	10,000
<b>Net assets</b>		<u>5,418,324</u>	<u>5,392,905</u>
<b>Funds of the charity</b>			
Restricted funds		75,001	56,464
Unrestricted funds		<u>5,343,324</u>	<u>5,336,441</u>
<b>Total charity funds</b>	24	<u>5,418,325</u>	<u>5,392,905</u>

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

Shafiq Rehman  
General Secretary

R G Ali  
Chairman

The notes on pages 12 to 23 form part of these financial statements.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Statement of Cash Flows

Year ended 30 April 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net income/(expenditure)		25,419	(63,118)
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		24,356	32,473
Government grant income		(40,513)	(152,799)
Interest payable and similar charges		7,042	6,487
Accrued expenses		3,000	8,830
<i>Changes in:</i>			
Trade and other debtors		84,922	–
Trade and other creditors		73,996	18,406
Cash generated from operations		178,222	(149,721)
Interest paid		(7,042)	(6,487)
Net cash from/(used in) operating activities		<u>171,180</u>	<u>(156,208)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(47,444)	(6,736)
Net cash used in investing activities		<u>(47,444)</u>	<u>(6,736)</u>
<b>Cash flows from financing activities</b>			
Government grant income		40,513	152,799
Net cash from financing activities		<u>40,513</u>	<u>152,799</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		164,249	(10,145)
<b>Cash and cash equivalents at beginning of year</b>		117,656	127,801
<b>Cash and cash equivalents at end of year</b>	<b>19</b>	<u>281,905</u>	<u>117,656</u>

The notes on pages 12 to 23 form part of these financial statements.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

## Notes to the Financial Statements

Year ended 30 April 2022

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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 367 Wellington Road South, Hounslow, Middlesex, TW4 5HU.

### 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 trustee 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.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

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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.

#### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

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### 3. 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:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.



# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

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

#### Government grants *(continued)*

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

#### Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

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

#### 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.

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations	271,315	119,318	390,633
Gift Aid	142,783	–	142,783
<b>Grants</b>			
Government grant income	40,513	–	40,513
	<u>454,611</u>	<u>119,318</u>	<u>573,929</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	147,142	47,695	194,837
Gift Aid	–	–	–
<b>Grants</b>			
Government grant income	152,799	–	152,799
	<u>299,941</u>	<u>47,695</u>	<u>347,636</u>

### 5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Funeral Income	64,094	–	64,094
Deen School	51,571	–	51,571
Primary School	–	494,678	494,678
Grants-LBH	–	160,401	160,401
	<u>115,665</u>	<u>655,079</u>	<u>770,744</u>

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

### 5. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Funeral Income	75,107	–	75,107
Deen School	39,930	–	39,930
Primary School	–	430,265	430,265
Grants-LBH	–	171,408	171,408
	<u>115,037</u>	<u>601,673</u>	<u>716,710</u>

### 6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Sponsorships	2,560	–	2,560
Fundraising events	58	–	58
Hall Rentals	300	–	300
Catering	122,251	–	122,251
	<u>125,169</u>	<u>–</u>	<u>125,169</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Sponsorships	1,340	–	1,340
Fundraising events	–	50	50
Hall Rentals	–	–	–
Catering	58,175	–	58,175
	<u>59,515</u>	<u>50</u>	<u>59,565</u>

### 7. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income	<u>6,339</u>	<u>6,339</u>	<u>7,028</u>	<u>7,028</u>

### 8. Costs of raising donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Donations	–	113,103	113,103

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies - Donations	<u>1,620</u>	<u>30,740</u>	<u>32,360</u>

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

### 9. Costs of other trading activities

	Unrestricted Funds £	<b>Total Funds 2022 £</b>	Unrestricted Funds £	Total Funds 2021 £
Costs of other trading activities	<u>158,726</u>	<u>158,726</u>	<u>69,464</u>	<u>69,464</u>

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

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2022 £</b>
Suffah School	–	674,214	674,214
Deen School	192,249	–	192,249
Funerals	46,156	–	46,156
Support costs	263,721	2,592	266,314
	<u>502,126</u>	<u>676,806</u>	<u>1,178,933</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Suffah School	–	526,348	526,348
Deen School	202,886	–	202,886
Funerals	39,367	–	39,367
Support costs	197,253	126,379	323,632
	<u>439,506</u>	<u>652,727</u>	<u>1,092,233</u>

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

	Activities undertaken directly £	Support costs £	<b>Total funds 2022 £</b>	Total fund 2021 £
Suffah School	674,214	–	674,214	526,348
Deen School	192,249	–	192,249	202,886
Funerals	46,156	–	46,156	39,367
Support costs	–	255,894	255,894	304,470
Governance costs	–	10,420	10,420	19,162
	<u>912,619</u>	<u>266,314</u>	<u>1,178,933</u>	<u>1,092,233</u>

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

### 12. Analysis of support costs

	Suffah School £	Deen School £	Funeral £	Mosque £	Other trading activities £	<b>Total 2022 £</b>	Total 2021 £
Staff costs	–	–	–	76,810	–	76,810	41,822
Premises	52,294	3,947	6,907	29,601	5,920	98,669	67,423
General office	28,803	2,174	3,804	16,284	3,261	54,326	55,949
Human resources	7,434	561	982	4,208	842	14,027	29,274
Finance costs	3,731	282	493	2,113	423	7,042	6,487
Governance costs	5,523	417	729	3,126	625	10,420	19,162
Leasing cost	2,650	200	350	1,500	300	5,000	103,515
	<u>100,435</u>	<u>7,581</u>	<u>13,265</u>	<u>133,642</u>	<u>11,371</u>	<u>266,294</u>	<u>323,632</u>

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

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### 13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	<b>2022</b>	2021
	<b>£</b>	£
Depreciation of tangible fixed assets	24,356	32,473
Operating lease rentals	<u>66,612</u>	<u>103,515</u>

### 14. Auditors remuneration

	<b>2022</b>	2021
	<b>£</b>	£
Fees payable for the audit of the financial statements	<u>3,000</u>	<u>3,000</u>

### 15. Staff costs

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

	<b>2022</b>	2021
	<b>£</b>	£
Wages and salaries	718,001	606,096
Social security costs	45,052	29,628
Employer contributions to pension plans	<u>(12,280)</u>	<u>3,141</u>
	<u>750,773</u>	<u>638,865</u>

The average head count of employees during the year was 56 (2021: 55).

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

### 16. Trustee remuneration and expenses

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

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

### 17. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2021	5,189,179	420,963	70,692	5,680,834
Additions	47,444	—	—	47,444
<b>At 30 April 2022</b>	<u>5,236,623</u>	<u>420,963</u>	<u>70,692</u>	<u>5,728,278</u>
<b>Depreciation</b>				
At 1 May 2021	—	336,558	57,677	394,235
Charge for the year	—	21,102	3,254	24,356
<b>At 30 April 2022</b>	<u>—</u>	<u>357,660</u>	<u>60,931</u>	<u>418,591</u>
<b>Carrying amount</b>				
<b>At 30 April 2022</b>	<u>5,236,623</u>	<u>63,303</u>	<u>9,761</u>	<u>5,309,687</u>
At 30 April 2021	<u>5,189,179</u>	<u>84,405</u>	<u>13,015</u>	<u>5,286,599</u>

### 18. Debtors

	<b>2022</b> £	2021 £
Other debtors	<u>142,783</u>	<u>227,705</u>

### 19. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	<b>2022</b> £	2021 £
Cash at bank and in hand	281,905	117,657
Bank overdrafts	—	(1)
	<u>281,905</u>	<u>117,656</u>

### 20. Creditors: amounts falling due within one year

	<b>2022</b> £	2021 £
Bank loans and overdrafts	—	1
Accruals and deferred income	22,170	19,170
Social security and other taxes	125,417	107,976
Other creditors	158,464	101,909
	<u>306,051</u>	<u>229,056</u>

# HOUNSLOW JAMIA MASJID AND ISLAMIC CENTRE

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

Year ended 30 April 2022

### 21. Creditors: amounts falling due after more than one year

	<b>2022</b>	2021
	<b>£</b>	£
Other creditors	<u>10,000</u>	<u>10,000</u>

### 22. 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 £(12,280) (2021: £3,141).

### 23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Recognised in income from donations and legacies:		
Government grants income	<u>40,513</u>	<u>152,799</u>

### 24. Analysis of charitable funds

#### Unrestricted funds

	At			At
	1 May 2021	Income	Expenditure	30 April 2022
	£	£	£	£
General funds	<u>5,302,392</u>	<u>701,784</u>	<u>(660,852)</u>	<u>5,343,324</u>

	At			At
	1 May 2020	Income	Expenditure	30 April 2021
	£	£	£	£
General funds	<u>5,365,510</u>	<u>481,521</u>	<u>(510,590)</u>	<u>5,336,441</u>

#### Restricted funds

	At			At
	1 May 2021	Income	Expenditure	30 April 2022
	£	£	£	£
Restricted Fund	<u>90,513</u>	<u>774,397</u>	<u>(789,909)</u>	<u>75,001</u>

	At			At
	1 May 2020	Income	Expenditure	30 April 2021
	£	£	£	£
Restricted Fund	<u>90,513</u>	<u>649,418</u>	<u>(683,467)</u>	<u>56,464</u>



## 25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	5,299,926	9,761	5,309,687
Current assets	359,448	65,240	424,688
Creditors less than 1 year	(306,051)	–	(306,051)
Creditors greater than 1 year	(10,000)	–	(10,000)
<b>Net assets</b>	<b>5,343,323</b>	<b>75,001</b>	<b>5,418,324</b>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	5,273,584	13,015	5,286,599
Current assets	312,106	43,449	355,555
Creditors less than 1 year	(229,055)	–	(229,055)
Creditors greater than 1 year	(10,000)	–	(10,000)
<b>Net assets</b>	<b>5,346,635</b>	<b>56,464</b>	<b>5,403,099</b>

## 26. Analysis of changes in net debt

	At 1 May 2021 £	Cash flows £	At 30 Apr 2022 £
Cash at bank and in hand	117,657	164,248	281,905
Bank overdrafts	(1)	1	–
	<u>117,656</u>	<u>164,249</u>	<u>281,905</u>