

CENTRAL JAMIA MASJID SOUTHALL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

CENTRAL JAMIA MASJID SOUTHALL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Imran Choudhry
Mr Mohamed Naaz Gara
Mr Mohammad Wahid
Mr Nasir Qureshi
Mr Muhammad Saleem

Charity number

268524

Principal address

Montague Way
Southall
Middlesex
United Kingdom
UB2 5PA

Independent examiner

Reddy Siddiqui LLP
183-189 The Vale
Acton
London
United Kingdom
W3 7RW

CENTRAL JAMIA MASJID SOUTHALL

CONTENTS

	Page
Trustees' report	1 - 2
Statement of Trustees' responsibilities	3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 13

CENTRAL JAMIA MASJID SOUTHALL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

The Trustees present their annual report and financial statements for the year ended 31 January 2023.

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 [governing document], the Charities Act 2011 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).

Objectives and activities

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The Masjid has been very successful in raising funds for natural disasters around the globe.

As part of the Islamic faith, one of the pillars is to give charity in the way of God. The charity has helped a number of organisations and Masjids around the UK.

This year the mosque ensured that investment in disaster funding was fit-for-purpose and effective especially in Pakistan 19 purpose-built houses were constructed in addition to CJM Tent city and food and blanket donations.

Substantial funds were also donated to Afghanistan, Indonesia, Bangladesh and Somalia

CJM has provided food banks to all faiths in regards to cost of living crises, we continue on our road map to enhance these services so that we can build a relationship with our wider community so that they can also understand that Islam is a religion of Peace and all are welcome.

One of the key areas of focus has been the youth, where the charity was engaging them in more activities.

Furthermore, the Charity has also been involved to provide advice and help on legal matters by the Solicitor. In addition, the Charity also provides the community help in gaining the attestation of Passport, Photos and travel documents.

Fouz School

CJM has state of art provided educational system which prepares today's children for life tomorrow and had the opportunity to build a close understanding and interesting making sure our community can provide a learning experience to young Muslims that is relevant and rateable for the world we live in and values of the family, community spirit and social responsibility and with interfaith communities, we continue on our road map to enhance these services so that we can build a relationship with our wider community so that they can also understand that Islam is a religion of Peace and all are welcome.

Renovations

As energy costs have rocketed CJM has replaced all lighting replacing it with low led lighting and rewiring where necessary.

Ramadan

CJM undertook to feed approximately 300 people on daily basis, this was fully funded by a local caterer and the congregation.

CENTRAL JAMIA MASJID SOUTHALL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

Financial review

The Treasurer has had the opportunity to review all of our energy suppliers and renegotiate our terms. This also includes our telephone and internet contracts as well. We have made considerable cost savings by going down this path.

Providing card payment terminals has been really successful as the younger generation have been able to use this service to contribute to charity. This has also contributed to our bottom line and has made our position more positive. Sufficient funds are available to permit the Charity to continue in operation

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity, and such investment are held in the shape of investment property.

It is the policy of the charity to maintain unrestricted funds at a level which equates to approximately 12 months of unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at least this level throughout the year.

It is the policy of the charity to maintain unrestricted funds at a level which equate to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. With the covid, our income dropped but we are still confident that funds will be maintained at the level soon.

The trustees actively review the major risk the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the Charity and confirms that they have established systems to mitigate the significant risks.

Plans for future periods

CJM has been actively involved in preparing for the upgrade and renovation of the males' side Toilet facilities. Thinking about the needs for the future and the increase in population, adaptations have been made to reflect this as well. Good quality and durable commercial products will be used for sustainability and a fresh new clean look and feel.

Phase two of the project will look at increasing the floor place by the way of an extension which is currently being discussed with the architect.

Structure, governance and management

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr Imran Choudhry

Mr Mohamed Naaz Gara

Mr Mohammad Wahid

Mr Nasir Qureshi

Mr Bilal Khan

Mr Muhammad Saleem

(Resigned 15 November 2022)

Appointment of trustees is governed by the charity's constitution rules. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

The Trustees' report was approved by the Board of Trustees.

Mr Imran Choudhry
Trustee

Mr Mohamed Naaz Gara
Trustee

11 April 2023

CENTRAL JAMIA MASJID SOUTHALL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2023

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year in preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates the reasonable prudent;
- state whether applicable accounting standards and statements of the recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

CENTRAL JAMIA MASJID SOUTHALL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CENTRAL JAMIA MASJID SOUTHALL

I report to the Trustees on my examination of the financial statements of Central Jamia Masjid Southall (the charity) for the year ended 31 January 2023.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Reddy Siddiqui LLP

183-189 The Vale
Acton
London
W3 7RW
United Kingdom

Dated: 11 April 2023

CENTRAL JAMIA MASJID SOUTHALL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	2	236,005	97,499	333,504	277,685	80,925	358,610
Investments	3	26,490	-	26,490	31,294	-	31,294
Total income		262,495	97,499	359,994	308,979	80,925	389,904
Expenditure on:							
Charitable activities	4	275,420	99,803	375,223	266,343	63,550	329,893
Net (expenditure)/income for the year/ Net movement in funds		(12,925)	(2,304)	(15,229)	42,636	17,375	60,011
Fund balances at 1 February 2022		3,132,587	31,785	3,164,372	3,089,951	14,410	3,104,361
Fund balances at 31 January 2023		3,119,662	29,481	3,149,143	3,132,587	31,785	3,164,372

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

All income and expenditure derive from continuing activities.

CENTRAL JAMIA MASJID SOUTHALL

BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9	1,930,936		1,966,178	
Investment property	10	750,000		750,000	
		<u>2,680,936</u>		<u>2,716,178</u>	
Current assets					
Debtors		50,000		150,000	
Cash at bank and in hand		419,422		299,471	
		<u>469,422</u>		<u>449,471</u>	
Creditors: amounts falling due within one year	11	<u>(1,215)</u>		<u>(1,277)</u>	
Net current assets			468,207		448,194
Total assets less current liabilities			<u>3,149,143</u>		<u>3,164,372</u>
Income funds					
Restricted funds			29,481		31,785
Unrestricted funds			3,119,662		3,132,587
			<u>3,149,143</u>		<u>3,164,372</u>

The financial statements were approved by the Trustees on 11 April 2023

Mr Imran Choudhry
Trustee

Mr Mohamed Naaz Gara
Trustee

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

Charity information

Central Jamia Masjid Southall is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence 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 available for use at the discretion of the Trustees in furtherance of their charitable objectives.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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.

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct pay and non-pay costs and support costs relating to those activities.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	Building is depreciated at 2% per annum. Freehold land is not depreciated
Fixtures and fittings	20% reducing balance
Motor vehicles	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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).

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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 and bank loans 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 payments 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any 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.

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	203,707	97,499	301,206	180,430	80,925	261,355
Legacies receivable	32,298	-	32,298	77,939	-	77,939
HMRC JRS Grant	-	-	-	19,316	-	19,316
	<u>236,005</u>	<u>97,499</u>	<u>333,504</u>	<u>277,685</u>	<u>80,925</u>	<u>358,610</u>
Donations and gifts						
General donation	<u>203,707</u>	<u>97,499</u>	<u>301,206</u>	<u>180,430</u>	<u>80,925</u>	<u>261,355</u>
	<u>203,707</u>	<u>97,499</u>	<u>301,206</u>	<u>180,430</u>	<u>80,925</u>	<u>261,355</u>

3 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Rental income	26,480	31,294
Interest receivable	10	-
	<u>26,490</u>	<u>31,294</u>

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

4 Charitable activities

	2023 £	2022 £
Staff costs	45,639	55,504
Depreciation and impairment	35,242	36,462
Sadaqah	99,803	63,550
Sundry expenses	3,549	3,750
Ramadhan expenses	11,046	2,352
Investment property expenses	-	4,474
Funeral and Madrasa	53,744	81,558
	<u>249,023</u>	<u>247,650</u>
Share of support costs (see note 5)	112,647	57,130
Share of governance costs (see note 5)	13,553	25,113
	<u>375,223</u>	<u>329,893</u>
Analysis by fund		
Unrestricted funds	275,420	266,343
Restricted funds	99,803	63,550
	<u>375,223</u>	<u>329,893</u>
For the year ended 31 January 2022		
Unrestricted funds	266,343	
Restricted funds	63,550	
	<u>329,893</u>	

5 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Masjid running expenses	112,647	-	112,647	57,130	-	57,130
Accountancy	-	780	780	-	780	780
Legal and professional	-	12,773	12,773	-	24,333	24,333
	<u>112,647</u>	<u>13,553</u>	<u>126,200</u>	<u>57,130</u>	<u>25,113</u>	<u>82,243</u>
Analysed between						
Charitable activities	112,647	13,553	126,200	57,130	25,113	82,243
	<u>112,647</u>	<u>13,553</u>	<u>126,200</u>	<u>57,130</u>	<u>25,113</u>	<u>82,243</u>

Governance costs includes payments to the accountants of £780 (2023 - £780) for accountancy fees.

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or payment of expenses during the year

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	2	3
Employment costs	2023	2022
	£	£
Wages and salaries	44,687	54,426
Social security costs	952	1,078
	45,639	55,504

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

8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 February 2022	2,520,494	114,574	12,565	2,647,633
At 31 January 2023	2,520,494	114,574	12,565	2,647,633
Depreciation and impairment				
At 1 February 2022	579,952	91,556	9,947	681,455
Depreciation charged in the year	30,246	4,603	393	35,242
At 31 January 2023	610,198	96,159	10,340	716,697
Carrying amount				
At 31 January 2023	1,910,296	18,415	2,225	1,930,936
At 31 January 2022	1,940,542	23,018	2,618	1,966,178

CENTRAL JAMIA MASJID SOUTHALL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

10 Investment property

	2023 £
Fair value	
At 1 February 2022 and 31 January 2023	750,000

	2023 £	2022 £
Freehold	750,000	750,000

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	435	497
Accruals and deferred income	780	780
	1,215	1,277

12 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 January 2023 are represented by:					
Tangible assets	1,930,936	-	1,930,936	-	1,966,178
Investment properties	750,000	-	750,000	-	750,000
Current assets/(liabilities)	438,726	29,481	468,207	31,785	448,194
	3,119,662	29,481	3,149,143	31,785	3,164,372

13 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).