

CHARITY REGISTRATION NUMBER: 275697

**ISLAMIC CULTURE AND EDUCATION CENTRE
BATTERSEA**

Financial Statements

31 March 2021

SALEEMI ASSOCIATES

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

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Financial Statements

Year ended 31 March 2021

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ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Charity registration number 275697

Principal office 73-75 Falcon Road
Battersea
London
SW11 2PF

The trustees

Mr A A Karmani- Chairman
Mr M A Choudry- General Secretry
Dr M Akhteruzzaman
Mr M Arshad
Mr A K Barkatullah
Mr N A Hashimi
Mr D Hossain

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

Bankers National Westminster Bank Plc
St John Road
Battersea
London
SW11 1PB

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

The trustees have pleasure in presenting their report and financial statement of the charity for the year ended 31st March 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE Trustees

The trustees who served the charity during the period were as follows:

Mr A A Karmani
Mr M A Choudry
Dr M Akhteruzzaman
Mr M Arshad
Mr A K Barkatullah
Mr N A Hashimi
Mr D Hossain

STATUS

The organisation is a registered charity and was established by the Declaration of Trust made on the 15th of March 1978. The charity is governed by the Declaration of Trust and controlled by the trustees.

PRINCIPAL ACTIVITIES AND REVIEW

The principal activity of the charity during the year was the development of the Islamic faith and charity work in the London Borough of Wandsworth, with particular emphasis on promoting facilities for the young people and the elderly members of the community.

The results for the year are shown in the accounts and report. The progress during the year and the position at the year-end is considered to be satisfactory. Details of the activities are as follows:

BUILDING OUR FUTURE PROJECT

This year, further £18,500 of the Qard-e-Hassanah had to be repaid to Qard-e-Hassanah donors who requested their return. Thus, the balance of Qard-e-Hassanah for which 'The Centre' was still indebted was reduced to £51,000. One of the Qard -e -Hassanah donor, has requested that the Qard-e-Hassanah amount of £2,000 be used towards the building project as she no longer requires its return. Accordingly, the balance of the Qard-e- Hassanah for which 'The Centre' is still indebted has been further reduced to £49,000, which is shown in the accounts, under the heading creditors. The £2000.00 has been added to the incoming resources as Donation & collection-Building project account.

COVID -19 AND THE NATIONAL LOCKDOWNS

This year has been a challenging year for 'The Centre' as it started off with 'The Centre' being closed for all activities, due to the first national lockdown coming into force on the 23rd March 2020. We had to adapt to the situation and provide whatever skeleton services we could provide and further to provide the local community with any help and support they needed.

In order to keep in touch with the Community and to keep them abreast of things, their contact numbers were obtained and put on our database. The social platforms were used to communicate with the community members. The Imaam provided a weekly Jumu'ah reminder during the times for normal Jumu'ah prayer times. The children attending Madrassah were given lessons online via Zoom or Microsoft Teams.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

A mosque mobile was acquired, so as we could keep in contact with the community via WhatsApp. A Food parcel delivery service was provided to any members of the community who were unable to get their shopping due to having Covid, being in isolation or unable to get shopping due to ill health.

After the lifting of restrictions, following the first lockdown. 'The Centre' opened up and remained open thereafter for the daily prayers. A booking system by WhatsApp was set up for Jumu'ah prayers. Wearing a Mask and using a prayer mat were a pre-requisite for entry to Centre. All attending were tested for temperature and they had to be in a state of purification as Toilets and Wudu areas were closed. However, in line with government guidelines the Madrassah and Youth Centre remained closed. The online classes continued to be provided for the Madrassah children.

A Food Bank initiative and Covid help was also started, to provide food to our community and the wider community.

SOCIAL, PERSONAL AND EDUCATIONAL DEVELOPMENT

Due to the national lockdowns, work in relation to this was not possible.

SPORT & RECREATIONAL ACTIVITIES

Islamic Youth Group remained closed during this year.

TRIPS TO PLACES OF INTEREST, RESIDENTIALS AND WORKSHOPS

Due to the national lockdowns, work in relation to this was not possible.

ISLAMIC FESTIVALS AND OPEN DAYS

Due to the national lockdowns, work in relation to this was not possible.

RELIGIOUS TEACHING

Children that were registered with us for Madrasa were provided online classes via Zoom or Microsoft Teams.

RISK REVIEW

The trustees have conducted their own review of the major risks to which the charity is exposed to and systems are in place to mitigate those risks. The systems, controls and procedures are periodically reviewed to ensure that they meet the needs of the charity.

Trustees' responsibilities statement

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

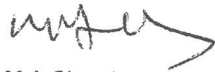
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

A resolution to re-appoint Saleemi Associates as auditor for the ensuing year will be proposed at the Annual General Meeting

The trustees' annual report was approved on 24/1/2022 and signed on behalf of the board of trustees by:



M A Choudry
General Secretary (Trustee)



Dr. M Akhteruzzaman
Treasurer (Trustee)

Date

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Independent Auditor's Report to the Members of ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA *(continued)*

Year ended 31 March 2021

Opinion

We have audited the financial statements of Islamic Culture and Education Centre Battersea (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Independent Auditor's Report to the Members of ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA *(continued)*

Year ended 31 March 2021

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 trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Charity and its activities, we identified that the principle risk of non-compliance with law and regulations related to the Charities Act 2011, the Charities Statements of Recommended Practice, UK tax legislation, pensions legislation, Employment regulation and Health and Safety regulation, GDPR, Anti-bribery, Corruption and Fraud, Money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the presentation of the financial statements, such as the Charities SORP (FRS102).

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

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Independent Auditor's Report to the Members of ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA *(continued)*

Year ended 31 March 2021

particular in relation to use of restricted funds, and significant one off or unusual transactions.

Our audit procedure were designed to response to those identified risk, including non-compliance with law and regulations (irregularities) and fraud that re material to the financial statements. Our audit procedure included but were not limited to:

- Discussing with the trustees and management their policies and procedure regarding compliance with law and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit ; and
- Considering the risk of acts by the Charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

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

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Independent Auditor's Report to the Members of ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA *(continued)*

Year ended 31 March 2021

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

Use of our report

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



Saleemi Associates

Chartered accountants & statutory auditor

792 Wickham Road

Croydon CR0 8EA

Date : 26/01/2022

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Statement of Financial Activities

Year ended 31 March 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	89,147	37,494	126,641	195,694
Other trading activities	5	31,024	—	31,024	34,747
Total income		<u>120,171</u>	<u>37,494</u>	<u>157,665</u>	<u>230,441</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	—	—	—	2,200
Expenditure on charitable activities	7,8	70,613	37,494	108,107	123,158
Total expenditure		<u>70,613</u>	<u>37,494</u>	<u>108,107</u>	<u>125,358</u>
Net income and net movement in funds		<u>49,558</u>	<u>—</u>	<u>49,558</u>	<u>105,083</u>
Reconciliation of funds					
Total funds brought forward		1,973,748	—	1,973,748	1,868,665
Total funds carried forward		<u>2,023,306</u>	<u>—</u>	<u>2,023,306</u>	<u>1,973,748</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 19 form part of these financial statements.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	12	1,912,221	1,882,406
Current assets			
Cash at bank and in hand		160,419	161,184
Creditors: amounts falling due within one year	13	<u>49,334</u>	<u>69,842</u>
Net current assets		<u>111,085</u>	<u>91,342</u>
Total assets less current liabilities		<u>2,023,306</u>	<u>1,973,748</u>
Net assets		<u>2,023,306</u>	<u>1,973,748</u>
Funds of the charity			
Unrestricted funds		2,023,306	1,973,748
Total charity funds	15	<u>2,023,306</u>	<u>1,973,748</u>

These financial statements were approved by the board of trustees and authorised for issue on 24/1/2022 and are signed on behalf of the board by:



M A Choudry
General Secretary



Dr M Akhteruzzaman
Treasurer

The notes on pages 12 to 19 form part of these financial statements.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	49,558	105,083
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,101	995
Government grant income	(37,294)	—
Accrued (income)/expenses	(9)	—
<i>Changes in:</i>		
Trade and other creditors	(20,500)	(10,000)
Cash generated from operations	(7,144)	96,078
Net cash (used in)/from operating activities	<u>(7,144)</u>	<u>96,078</u>
Cash flows from investing activities		
Purchase of tangible assets	(30,915)	(15,391)
Net cash used in investing activities	<u>(30,915)</u>	<u>(15,391)</u>
Cash flows from financing activities		
Government grant income	37,294	—
Net cash from financing activities	<u>37,294</u>	<u>—</u>
Net (decrease)/increase in cash and cash equivalents	(765)	80,687
Cash and cash equivalents at beginning of year	161,184	80,497
Cash and cash equivalents at end of year	<u>160,419</u>	<u>161,184</u>

The notes on pages 12 to 19 form part of these financial statements.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements

Year ended 31 March 2021

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 73-75 Falcon Road, Battersea, London, SW11 2PF.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Fund accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

All fixed assets are initially recorded at cost.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

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:

Equipment	- 15-25% reducing balance
Fixtures & Fittings	- 15-25% reducing balance

The freehold properties are maintained in a good state of repair with regular maintenance and refurbishment carried out when required. The difference between the residual value and the book value is not considered to be material, therefore no depreciation is provided.

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.

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.

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donation & collection	54,851	—	54,851
Donation & collection-Building project	2,000	—	2,000
Donation & collection-Funeral fund	—	—	—
Donation & collection-Food bank	—	200	200
Grants			
Grants receivable - Wimbledon foundation	—	—	—
Government grant income- Mosque activities	—	19,317	19,317
Government grant income- Youth group activities	—	17,977	17,977
Subscriptions			
Contribution, fees & subscription - Mosque activities	19,378	—	19,378
Contribution, fees & subscription - Youth group activities	12,918	—	12,918
	<u>89,147</u>	<u>37,494</u>	<u>126,641</u>

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements (continued)

Year ended 31 March 2021

4. Donations and legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donation & collection	71,352	—	71,352
Donation & collection-Building project	70,689	—	70,689
Donation & collection-Funeral fund	—	2,200	2,200
Donation & collection-Food bank	—	—	—
Grants			
Grants receivable - Wimbledon foundation	—	2,500	2,500
Government grant income- Mosque activities	—	—	—
Government grant income- Youth group activities	—	—	—
Subscriptions			
Contribution, fees & subscription - Mosque activities	29,372	—	29,372
Contribution, fees & subscription – Youth group activities	19,581	—	19,581
	<u>190,994</u>	<u>4,700</u>	<u>195,694</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Calendar, books & food sales - Youth group activities	482	482	458	458
Calendar, books & food sales - Mosque activities	1,125	1,125	1,069	1,069
Letting and licensing	29,417	29,417	33,220	33,220
	<u>31,024</u>	<u>31,024</u>	<u>34,747</u>	<u>34,747</u>

6. Costs of raising donations and legacies

	Restricted Funds £	Total Funds 2021 £	Restricted Funds £	Total Funds 2020 £
Donations-Funeral fund disposal	—	—	2,200	2,200

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Mosque activities	43,132	19,317	62,449
Youth group activities	27,481	18,177	45,658
	<u>70,613</u>	<u>37,494</u>	<u>108,107</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Mosque activities	86,305	—	86,305
Youth group activities	34,353	2,500	36,853
	<u>120,658</u>	<u>2,500</u>	<u>123,158</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Mosque activities	62,449	62,449	86,305
Youth group activities	45,658	45,658	36,853
	<u>108,107</u>	<u>108,107</u>	<u>123,158</u>

9. Net income

Net income is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>1,101</u>	<u>994</u>

10. Staff costs

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

	2021 £	2020 £
Wages and salaries	63,768	56,402
Social security costs	1,543	2,277
	<u>65,311</u>	<u>58,679</u>

The average head count of employees during the year was 19 (2020: 21)

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

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Trustee remuneration and expenses

None of the Trustees were remunerated or received any expenses during the year.

12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2020	1,876,776	49,042	30,126	1,955,944
Additions	29,205	1,710	—	30,915
At 31 March 2021	1,905,981	50,752	30,126	1,986,859
Depreciation				
At 1 April 2020	—	47,584	25,953	73,537
Charge for the year	—	475	626	1,101
At 31 March 2021	—	48,059	26,579	74,638
Carrying amount				
At 31 March 2021	1,905,981	2,693	3,547	1,912,221
At 31 March 2020	1,876,776	1,458	4,173	1,882,407

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	334	342
Qard -e -Hassanah	49,000	69,500
	49,334	69,842

14. Government grants

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

	2021 £	2020 £
Recognised in income from donations and legacies:		
Government grants income	37,294	—

ISLAMIC CULTURE AND EDUCATION CENTRE BATTERSEA

Management Information

Year ended 31 March 2021

15. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	<u>1,973,748</u>	<u>120,171</u>	<u>(70,613)</u>	<u>2,023,306</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	<u>1,868,665</u>	<u>225,741</u>	<u>(120,658)</u>	<u>1,973,748</u>

Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Restricted Fund	<u>–</u>	<u>37,494</u>	<u>(37,494)</u>	<u>–</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Restricted Fund	<u>–</u>	<u>4,700</u>	<u>(4,700)</u>	<u>–</u>

16. Analysis of changes in net debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	<u>161,184</u>	<u>(765)</u>	<u>160,419</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,912,221	1,912,221
Current assets	160,419	160,419
Creditors less than 1 year	(49,334)	(49,334)
Net assets	<u>2,023,306</u>	<u>2,023,306</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	1,882,407	1,882,407
Current assets	161,184	161,184
Creditors less than 1 year	(69,843)	(69,843)
Net assets	<u>1,973,748</u>	<u>1,973,748</u>