

CHARITY REGISTRATION NUMBER: 285030

CROYDON MOSQUE & ISLAMIC CENTRE
Financial Statements
31 December 2020

SALEEMI ASSOCIATES

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

CROYDON MOSQUE & ISLAMIC CENTRE

Financial Statements

Year ended 31 December 2020

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CROYDON MOSQUE & ISLAMIC CENTRE

Financial Statements

Year ended 31 December 2020

The trustees present their report and the financial statements of the charity for the year ended 31 December 2020.

Status

The organisation is a UK Registered Charity (no. 285030 with the Charity Commission for England and Wales), and under the Worship Registration Act 1855 (no. 72213).

Reference and administrative details

Operation address 525 London Road
Thornton Heath
Surrey
CR7 6AR

The trustees

Mr Nowsad A Gani
Mr Shuaib Yusaf
Mr Asghar Ali

Management Committee

Parvez Wahid – Chairman
Tanveer Sajjid – General Secretary
Rafiq Yaqub – Finance Secretary
Waqas Khan – Madrassah Secretary
Mohammed Jamil Karim Okhai – Construction & Maintenance Secretary
Obaidullah Khalid – Community Welfare Secretary
Haroon Okhai – Funeral Secretary
M Rafiq Razzak - Fund Raising Secretary
Nadir Abdullah Khan Mothojakan – Mainstream Education Secretary

Auditor

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

Bankers

Barclays Bank PLC
1 North End
Croydon
CR9 1SX

NatWest Bank Plc
1393 London Road
London
SW16 4XF

Legal Advisors

Lee Bolton Monier-Williams LLP
1 The Sanctuary
London
SW1P 3JT

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

The Trustees have pleasure in presenting their Report and the Financial Statements of the Charity for the year ended 31st December 2020. The Financial Statements have been prepared in accordance with the accounting policies set out in Note 3 to the Accounts and comply with the Charity's Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in England and Wales.

PRINCIPAL OBJECTIVES AND ACTIVITIES

The principal activities of the Charity were in accordance with the stated objectives of the Charity, namely the advance of Islam and related services to the community, and were as follows:

- The advancement of Islam through the provision of daily prayers and related services;
- The provision of Sharia compliant burial services for the community and other mosques in the locality;
- The education of Muslim children both in accordance with the teachings of Quran and Sunnah, and the National Curriculum through the provision of GCSE revision classes;
- The provision of services to the community to include regular events for the elderly and the youth;
- Special services for ladies through the provision of dedicated classes on matters religious and secular to include lifestyle, domestic and medical issues;
- Special surgeries to provide access for the community to legal, medical, local authority and elected representatives;
- Dedicated counselling as required by the community;
- Taking the lead on interfaith activities in the London Borough of Croydon;
- Conducting a regular liaison with the local authorities for the provision of services to the community;
- The staging of regular lectures and Quranic recitation performances by world renowned qaris (reciters of the holy Quran).

OTHER ACTIVITIES

The advent of the pandemic resulted in closure of the mosque premises in line with governmental guidance. Attendance was severely curtailed to aid the national and regional lockdowns. This also resulted in closure of the madrassah. However, the Charity continued to participate fully in all measures to curtail the pandemic including use of its website for messaging to the affected community, and allowing use of its premises for vaccination purposes.

The Charity's income has been very substantially curtailed as a result of a fall in voluntary donations and madrassah fee; however, the Charity is pleased to note that a property it had purchased has now been converted into five self-contained flats which are let and mitigate slightly against the fall in the Charity's income.

The Trustees are pleased to note that the Charity continued to provide full funeral related services for the substantial number of bereavements which affected the local community.

VOLUNTEERS

The Trustees wish to record their appreciation on behalf of the Charity and community for the volunteers who assist in the smooth running of the Charity and are critical in helping to keep the running costs down. No volunteers were remunerated in the year.

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

TRUSTEES APPOINTMENT

The Trustees are appointed with the approval of the Majlis-e-Shoora as stipulated in the Charity's Constitution.

Basic guidance is provided to the new Trustees on their responsibilities as defined in the Constitution

ACHIEVEMENTS AND PERFORMANCE

Current and Future Activities

The Charity has continued with the activities as in the previous years, namely the advancement of Islam and related services to the community in the area. With the Phase III build now fully operational, (Women's and Children Centre), the Charity has increased the capacity to accommodate attendees at the Mosque.

FINANCIAL REVIEWS

The results for the year are shown on page 8. The progress during the year and the position at the year-end is considered to be satisfactory.

The reduction in total income is mainly attributable to the decrease in receipts for the Construction Fund with the Phase 3 building project which is now complete. This is also reflected in the reduced gift-aid recovered in respect of donations received. Building works on one of the Charity's properties (1 Dunheved Road) was completed during the year and the property was completed on schedule and rented out from November 2020.

The receipts received for the running of the Centre are solely from donations from public together with rental income from invested properties.

The Charity now accepts donations via credit/debit cards too.

RISK REVIEW

The Trustees have conducted their own review of the major risks to which the Charity is exposed and steps have been initiated to minimise the identified risks. All functions of the Charity are subjected to periodic review, resulting in a process of ongoing improvement. All staffs are trained and have all the required statutory and regulatory clearances required. In addition, all speakers who are allowed a platform at the Charity have due diligence conducted and material vetted prior to addressing the attendees at the Charity.

Additional works for ease of disabled access to the premises have also been made and maintained.

SERIOUS INCIDENTS AND EXCEPTIONS

The Trustees submitted one Serious Incident Report to the Charity Commission in respect of a historic safeguarding matters which did not occur on the Charity's premises, but involved one of the Charity's Employees. The Charity has accorded full cooperation to all affected local authorities. The matter is ongoing and the Charity Commission are being kept abreast on all developments.

The Trustees can report that there were no Exceptions recorded, and which gave rise to a need for the Trustees to record on the Charity's Exceptions' Register.

The Charity Commission conducted a Compliance Visit and Inspection (CVI) on 25/09/2019. A number of recommendations were made and which have now been implemented and communicated to the Commission.

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

RELATED PARTY TRANSACTIONS

During the year the related party transactions amounted to total donations to Al-Khair Foundation of £25,000 and receipt of sponsorships from Al-Khair Foundation of £4,500, where Shuaib Yusaf is both a Trustee of the Charity and CEO at Al-Khair Foundation.

RESERVES POLICY

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately four months of unrestricted charitable expenditure. The Trustees have approved a reserve figure of £100,000 for the year.

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).

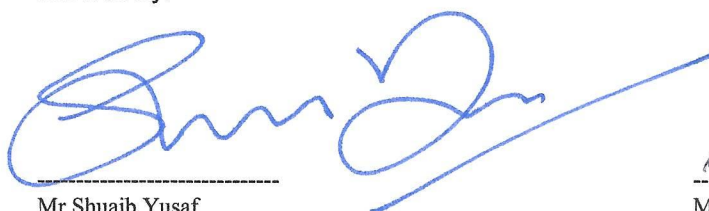
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

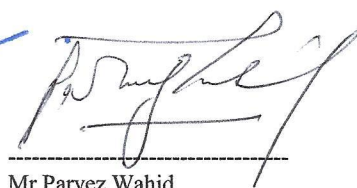
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any 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.

The trustees' annual report was approved on 25 October 2021 and signed on behalf of the board of trustees by:



Mr Shuaib Yusaf
Trustee



Mr Parvez Wahid
Chairman

CROYDON MOSQUE & ISLAMIC CENTRE

Independent Auditor's Report to the Members of CROYDON MOSQUE & ISLAMIC CENTRE *(continued)*

Year ended 31 December 2020

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 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.

CROYDON MOSQUE & ISLAMIC CENTRE

Independent Auditor's Report to the Members of CROYDON MOSQUE & ISLAMIC CENTRE *(continued)*

Year ended 31 December 2020

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

CROYDON MOSQUE & ISLAMIC CENTRE

Independent Auditor's Report to the Members of CROYDON MOSQUE & ISLAMIC CENTRE *(continued)*

Year ended 31 December 2020

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.

792 Wickham Road
Croydon CR0 8EA

Saleemi Associates
Chartered accountants & statutory auditor

Date: 26 October 2021

CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Financial Activities

Year ended 31 December 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	250,196	77,465	327,661	358,444
Charitable activities	5	4,499	4,217	8,716	15,529
Other trading activities	6	5,218	3,597	8,815	28,479
Investment income	7	25,050	—	25,050	18,250
Total income		<u>284,963</u>	<u>85,279</u>	<u>370,242</u>	<u>420,702</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	—	5,851	5,851	5,007
Costs of other trading activities	9	5,091	—	5,091	11,212
Expenditure on charitable activities	10,11	375,718	3,597	379,315	332,712
Total expenditure		<u>380,809</u>	<u>9,448</u>	<u>390,257</u>	<u>348,931</u>
Net (expenditure)/income		<u>(95,846)</u>	<u>75,831</u>	<u>(20,015)</u>	<u>71,771</u>
Other recognised gains and losses					
Fair value movements		374,532	—	374,532	(30,000)
Net movement in funds		<u>278,686</u>	<u>75,831</u>	<u>354,517</u>	<u>41,771</u>
Reconciliation of funds					
Total funds brought forward		2,553,137	2,237,665	4,790,802	4,749,031
Total funds carried forward		<u>2,831,823</u>	<u>2,313,496</u>	<u>5,145,319</u>	<u>4,790,802</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 11 to 20 form part of these financial statements.

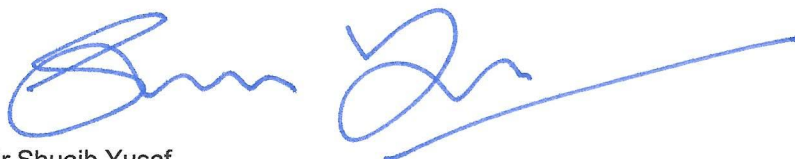
CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	16	2,831,702	2,864,704
Investments	17	2,165,000	1,723,059
		<u>4,996,702</u>	<u>4,587,763</u>
Current assets			
Stocks	18	20,223	16,028
Debtors	19	26,326	33,529
Cash at bank and in hand		478,526	562,946
		<u>525,075</u>	<u>612,503</u>
Creditors: amounts falling due within one year	20	<u>81,640</u>	<u>95,270</u>
Net current assets		<u>443,435</u>	<u>517,233</u>
Total assets less current liabilities		<u>5,440,137</u>	<u>5,104,996</u>
Creditors: amounts falling due after more than one year	21	<u>294,818</u>	<u>314,194</u>
Net assets		<u>5,145,319</u>	<u>4,790,802</u>
Funds of the charity			
Restricted funds		2,313,496	2,237,665
Unrestricted funds		2,831,823	2,553,137
Total charity funds	23	<u>5,145,319</u>	<u>4,790,802</u>

These financial statements were approved by the board of trustees and authorised for issue on 25 October 2021, and are signed on behalf of the board by:



Mr Shuaib Yusaf
Trustee

The notes on pages 11 to 20 form part of these financial statements.

CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Cash Flows

Year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net (expenditure)/income	(20,015)	71,771
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	33,002	21,147
Government grant income	(48,164)	—
Dividends, interest and rents from investments	(25,050)	(18,250)
Accrued income	(10,104)	(1,353)
<i>Changes in:</i>		
Stocks	(4,195)	6,644
Trade and other debtors	7,203	3,924
Trade and other creditors	5,221	(13,775)
Cash generated from operations	(62,102)	70,108
Net cash (used in)/from operating activities	(62,102)	70,108
Cash flows from investing activities		
Dividends, interest and rents from investments	25,050	18,250
Purchase of tangible assets	—	(7,248)
Purchases of other investments	(67,409)	(187,133)
Net cash used in investing activities	(42,359)	(176,131)
Cash flows from financing activities		
Proceeds from borrowings	(28,123)	(35,370)
Government grant income	48,164	—
Net cash from/(used in) financing activities	20,041	(35,370)
Net decrease in cash and cash equivalents	(84,420)	(141,393)
Cash and cash equivalents at beginning of year	562,946	704,339
Cash and cash equivalents at end of year	478,526	562,946

The notes on pages 11 to 20 form part of these financial statements.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements

Year ended 31 December 2020

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 525 London Road, Thornton heath, Surrey, CR7 6AR.

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.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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:

Freehold property	- 1% reducing balance
Fixtures and fittings	- 10% reducing balance
Motor vehicles	- 25% reducing balance
Equipment	- 10% reducing balance
Computer equipment	- 10% reducing balance

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.

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.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Funeral income and donations	—	47,400	47,400
Donation - Construction fund	—	28,510	28,510
Donations collected for others, and functions	—	—	—
General donations	114,248	1,555	115,803
Madrasa Collections	87,784	—	87,784
Grants			
Government grant income	48,164	—	48,164
	<u>250,196</u>	<u>77,465</u>	<u>327,661</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Funeral income and donations	—	29,805	29,805
Donation - Construction fund	—	35,291	35,291
Donations collected for others, and functions	—	1,150	1,150
General donations	160,427	1,000	161,427
Madrasa Collections	130,771	—	130,771
Grants			
Government grant income	—	—	—
	<u>291,198</u>	<u>67,246</u>	<u>358,444</u>

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tax recovered under Gift Aid	4,499	4,217	8,716
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tax recovered under Gift Aid	10,730	4,799	15,529

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Community events	—	3,597	3,597
Book shop income	5,218	—	5,218
	<u>5,218</u>	<u>3,597</u>	<u>8,815</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Community events	–	19,177	19,177
Book shop income	9,302	–	9,302
	<u>9,302</u>	<u>19,177</u>	<u>28,479</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from investment properties	<u>25,050</u>	<u>25,050</u>	<u>18,250</u>	<u>18,250</u>

8. Costs of raising donations and legacies

	Restricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Donations: Motor vehicle expenses	<u>5,851</u>	<u>5,851</u>	<u>5,007</u>	<u>5,007</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of other trading activities - Shop costs	<u>5,091</u>	<u>5,091</u>	<u>11,212</u>	<u>11,212</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Support costs	<u>375,718</u>	<u>3,597</u>	<u>379,315</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Support costs	<u>312,535</u>	<u>20,177</u>	<u>332,712</u>

11. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2020 £	Total fund 2019 £
Expenditure on charitable activities	364,619	364,619	316,173
Governance costs	14,696	14,696	16,539
	<u>379,315</u>	<u>379,315</u>	<u>332,712</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Analysis of support costs

	Analysis of support costs activity £	Total 2020 £	Total 2019 £
Staff costs	253,215	<u>253,215</u>	<u>222,203</u>

13. Net (expenditure)/income

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

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>33,002</u>	<u>21,147</u>

14. Staff costs

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

	2020 £	2019 £
Wages and salaries	248,441	225,865
Social security costs	<u>4,774</u>	<u>(3,662)</u>
	<u>253,215</u>	<u>222,203</u>

Administration functions are carried out by unpaid volunteers.

The average head count of employees during the year was 25 (2019: 22).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. Trustee remuneration and expenses

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

16. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	User defined asset £	Total £
Cost						
At 1 Jan 2020 and 31 Dec 2020	<u>2,793,273</u>	<u>175,611</u>	<u>15,900</u>	<u>122,778</u>	<u>20,685</u>	<u>3,128,247</u>
Depreciation						
At 1 Jan 2020	29,223	121,761	14,716	77,414	20,429	263,543
Charge for the year	<u>22,721</u>	<u>5,385</u>	<u>296</u>	<u>4,536</u>	<u>64</u>	<u>33,002</u>
At 31 Dec 2020	<u>51,944</u>	<u>127,146</u>	<u>15,012</u>	<u>81,950</u>	<u>20,493</u>	<u>296,545</u>
Carrying amount						
At 31 Dec 2020	<u>2,741,329</u>	<u>48,465</u>	<u>888</u>	<u>40,828</u>	<u>192</u>	<u>2,831,702</u>
At 31 Dec 2019	<u>2,764,050</u>	<u>53,850</u>	<u>1,184</u>	<u>45,364</u>	<u>256</u>	<u>2,864,704</u>

Title deeds relating to 525 London Road, 16 St. Paul's Road, 1 Dunheved Road south and 670 London Road are registered in the name of the Trustees and are held by them on behalf of the Charity.

17. Investments

	Investment properties £
Cost or valuation	
At 1 January 2020	1,723,059
Additions	67,409
Fair value movements	374,532
At 31 December 2020	<u>2,165,000</u>
Impairment	
At 1 January 2020 and 31 December 2020	
Carrying amount	
At 31 December 2020	<u>2,165,000</u>
At 31 December 2019	<u>1,723,059</u>

All investments shown above are held at valuation.

Investment properties

The trustees have used a local estate agent to get a valuation on the investment properties.

18. Stocks

	2020 £	2019 £
Islamic Books and consumables	<u>20,223</u>	<u>16,028</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

19. Debtors

	2020	2019
	£	£
Sundry debtors – Other	5,359	2,000
Prepayments	12,290	15,947
Gift Aid	8,677	15,582
	<u>26,326</u>	<u>33,529</u>

20. Creditors: amounts falling due within one year

	2020	2019
	£	£
Qard E Hasna	17,000	27,000
Shariah Compliant loan	18,123	16,870
Accruals	21,649	31,753
Outstanding Zakat and fitra distribution	4,888	4,744
Other creditors	19,980	14,903
	<u>81,640</u>	<u>95,270</u>

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

	2020	2019
	£	£
Bank loans and overdrafts	<u>294,818</u>	<u>314,194</u>

As at 31 December 2020 there was a total loan outstanding for repayment of £312,941 relating to 670 London Road, 16 St. Pauls Road and 1 Dunheved Road South.

Qarz E Hasna of £17,000 related to interest free loan received from Mosque Attendees for the build of Phase repayable in 2021.

22. Government grants

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

	2020	2019
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>48,164</u>	<u>—</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements (continued)

Year ended 31 December 2020

23. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 20	Income	Expenditure	Gains and losses	At 31 December r 2020
	£	£	£	£	£
General funds	1,688,137	284,963	(380,809)	–	1,592,291
Fair value reserve	865,000	–	–	374,532	1,239,532
	<u>2,553,137</u>	<u>284,963</u>	<u>(380,809)</u>	<u>374,532</u>	<u>2,831,823</u>

	At 1 January 20 19	Income	Expenditure	Gains and losses	At 31 December 2019
	£	£	£	£	£
General funds	1,682,404	329,480	(323,747)	–	1,688,137
Fair value reserve	895,000	–	–	(30,000)	865,000
	<u>2,577,404</u>	<u>329,480</u>	<u>(323,747)</u>	<u>(30,000)</u>	<u>2,553,137</u>

Restricted funds

	At 1 January 20 20	Income	Expenditure	Gains and losses	At 31 December r 2020
	£	£	£	£	£
Restricted Fund	2,237,665	85,279	(9,448)	–	2,313,496

	At 1 January 20 19	Income	Expenditure	Gains and losses	At 31 December 2019
	£	£	£	£	£
Restricted Fund	2,171,627	91,222	(25,184)	–	2,237,665

24. Analysis of changes in net debt

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	562,946	(84,420)	478,526
Debt due within one year	(43,870)	8,747	(35,123)
Debt due after one year	(314,194)	19,376	(294,818)
	<u>204,882</u>	<u>(56,297)</u>	<u>148,585</u>

25. Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

CROYDON MOSQUE & ISLAMIC CENTRE

Management Information

Year ended 31 December 2020

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

CROYDON MOSQUE & ISLAMIC CENTRE

Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Funeral income and donations	47,400	29,805
Donation - Construction fund	28,510	35,291
Donations collected for others, and functions	—	1,150
General donations	115,803	161,427
Madrassa Collections	87,784	130,771
Government grant income	48,164	—
	<u>327,661</u>	<u>358,444</u>
Charitable activities		
Tax recovered under Gift Aid	8,716	15,529
	<u>8,716</u>	<u>15,529</u>
Other trading activities		
Community events	3,597	19,177
Book shop income	5,218	9,302
	<u>8,815</u>	<u>28,479</u>
Investment income		
Income from investment properties	25,050	18,250
	<u>25,050</u>	<u>18,250</u>
Total income	<u>370,242</u>	<u>420,702</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2020

Expenditure

Costs of raising donations and legacies

Motor vehicle expenses	5,851	4,007
Donations & Other collections	–	1,000
	<u>5,851</u>	<u>5,007</u>

Costs of other trading activities

Opening stock	16,028	22,672
Purchases	9,286	1,568
Closing stock	20,223	16,028
Wages and salaries	–	3,000
	<u>5,091</u>	<u>11,212</u>

Expenditure on charitable activities

Wages and salaries	248,441	222,865
Employer's NIC	4,774	(3,662)
Rates and water	122	2,232
Light and heat	14,458	19,031
Repairs and maintenance	36,819	17,344
Insurance	9,424	9,385
Sundry	253	344
Other motor/travel costs	835	646
Legal and professional fees	3,203	–
Telephone	1,234	1,279
Stationery and computer expenses	4,781	3,067
Depreciation	33,002	21,147
Social & Community events	3,597	19,177
Bank Charges	3,676	3,318
Shariah Compliant loan – rent payable	14,696	16,359
	<u>379,315</u>	<u>332,712</u>

Total expenditure

<u>390,257</u>	<u>348,931</u>
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Net (expenditure)/income

<u>(20,015)</u>	<u>71,771</u>
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