

CHARITY REGISTRATION NUMBER: 285030

CROYDON MOSQUE & ISLAMIC CENTRE
Financial Statements
31 December 2023

SALEEMI ASSOCIATES

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

CROYDON MOSQUE & ISLAMIC CENTRE

Financial Statements

Year ended 31 December 2023

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CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	CROYDON MOSQUE & ISLAMIC CENTRE
Charity registration number	285030
Principal office	525 London Road Thornton Heath Surrey CR7 6AR

The trustees

Mr Afzal Hussen Amirali Ahmed Ali
Mr Asghar Ali
Mr Mohammad Saqib Khan
Mr Waqas Khan
Mr Mohammed Jamil Okhai
Mr Mohammad Rafiq Razzak
Mr Haroon Karim Okhai

Management Committee

Afzal Hussen Amirali Ahmed Ali – Chairman
Mohammad Saqib Khan – Finance Secretary
Waqas Khan – Madrassah Secretary
Mohammed Jamil Okhai – Construction & Maintenance Secretary
Haroon Karim Okhai – Funeral Secretary
Mohammad Rafiq Razzak – Fund Raising Secretary

Auditor

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

Bankers

Barclays Bank PLC
P O Box 95
1 North End
Croydon
Surrey CR9 1SX

National Westminster 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 2023

Structure, governance and management

The Trustees have pleasure in presenting their Report and the Financial Statements of the Charity for the year ended 31st December 2023. 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 Tuition 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

Following the pandemic's impact on mosque activities and madrassah closures, CMIC is pleased to report a steady recovery and growth in several key areas of service and support. We are now over the impacts from the pandemic and are moving ahead in a progressive manner.

Madrassah enrolments are now nearing pre-pandemic levels, with an encouraging rise in income. The increased attendance underscores the value of our educational services within the community.

Our subcontracted tuition for home-schooled students has gained momentum, meeting a growing demand for quality educational support within our community. This initiative has positively impacted both student engagement and community outreach.

The CMIC youth clubs for both boys and girls are now well-subscribed, providing a nurturing and engaging space for young people. This initiative addresses the need for structured, faith-centred activities and has been met with significant interest from families.

During Ramadhan, CMIC provided warm meals to high volumes of refugees, thanks to significant donations. We have also established a weekly soup kitchen to assist the homeless, offering meals on our premises and reflecting CMIC's commitment to social welfare.

Generous donations this year enabled CMIC to offer additional support for refugee meals during Ramadhan, covering associated costs and enhancing our ability to serve the vulnerable in our community.

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

The Trustees are grateful for the continued support and dedication shown by CMIC's community, enabling the mosque to fulfil its mission of compassionate service and support.

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.

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

Results

The financial performance for the year, as detailed on page 8, reflects positive progress, with income and expenditure at satisfactory levels.

Madrasah income has increased significantly as student enrolments approach pre-pandemic levels. This growth reflects the community's renewed confidence and commitment to education at CMIC and has been instrumental in supporting overall income stability. Additionally, general donations have increased, allowing the mosque to sustain activities despite rising operational costs.

This year has seen an increase in energy and food costs. To accommodate these rising expenses, CMIC has proactively upgraded facilities, such as the kitchen, ensuring that services remain effective and meet current needs. The cost of these upgrades and increased operational expenses has been offset by generous community donations, effectively maintaining a stable bottom line.

Youth clubs for boys and girls have been fully functional throughout the year. Their operations, well-subscribed by the community, have been efficiently managed, ensuring that the financial impact on the mosque's overall income remains neutral.

The centre's income continues to benefit from public donations and rental income from three investment properties, providing essential support for the mosque's operations. With the easing of COVID-19 restrictions, full mosque operations resumed, leading to an increase in collections and donations compared to the previous year.

The year's financial health reflects prudent management and the generous support of our community, enabling CMIC to sustain its mission and serve the community effectively.

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

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.

The Committee remain vigilant and aware of health and safeguarding risks and perform regular reviews of any changes needed to the Mosque to mitigate any risks may pose for its worshippers and visitors.

Additional works for ease of disabled access to the premises continue to be monitored and maintained.

SERIOUS INCIDENTS AND EXCEPTIONS

The Trustees submitted one Serious Incident Report to the Charity Commission in respect of a historic safeguarding matter 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.

RELATED PARTY TRANSACTIONS

During the year the related party transactions amounted to total donations to Al-Khair Foundation of £6,000 and receipt of sponsorships from Al-Khair Foundation of £5,500, where Shuaib Yusaf is a previous 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;

CROYDON MOSQUE & ISLAMIC CENTRE

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

- 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 31 October 2024 and signed on behalf of the board of trustees by:



Mr Saqib Khan (Oct 31, 2024 13:05 GMT)

Mr Saqib Khan
Trustee



Mr Afzal Hussen Amirali Ahmed Ali (Oct 31, 2024 13:16 GMT)

Mr Afzal Hussen Amirali Ahmed Ali
Chairman

CROYDON MOSQUE & ISLAMIC CENTRE

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

Year ended 31 December 2023

Opinion

We have audited the financial statements of Croydon Mosque & Islamic Centre (the 'charity') for the year ended 31 December 2023 which comprise of Statement of Financial Activities (including Income & expenditure account), Statement of Financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the 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 that there is a material misstatement of this other information, we are required to report that fact.

CROYDON MOSQUE & ISLAMIC CENTRE

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

Year ended 31 December 2023

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, 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 evaluated the trustees' and managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risk were related to manual journal entries to manipulate financial performance, management bias through judgements and assumptions is significant accounting estimates, in particular in relation to use of restricted funds, and significant one off or unusual transactions.

CROYDON MOSQUE & ISLAMIC CENTRE

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

Year ended 31 December 2023

Our audit procedures 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.

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

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: 05 November 2024

Saleemi Associates is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Financial Activities

Year ended 31 December 2023

		2023			2022
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	394,237	57,941	—	452,178
Charitable activities	5	20,001	—	—	20,001
Other trading activities	6	14,442	5,500	—	19,942
Investment income	7	80,800	—	—	80,800
Total income		<u>509,480</u>	<u>63,441</u>	<u>—</u>	<u>572,921</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	11,994	—	—	11,994
Expenditure on charitable activities	9,10	370,114	70,447	27,188	467,750
Total expenditure		<u>382,108</u>	<u>70,447</u>	<u>27,188</u>	<u>479,744</u>
Net income and net movement in funds		<u>127,372</u>	<u>(7,006)</u>	<u>(27,188)</u>	<u>93,177</u>
Reconciliation of funds					
Total funds brought forward as previously reported		322,899	364,994	4,680,437	5,368,330
Prior year adjustment		(17,268)	17,268	—	—
Total funds brought forward as restated		<u>305,631</u>	<u>382,262</u>	<u>4,680,437</u>	<u>5,368,330</u>
Total funds carried forward		<u>433,003</u>	<u>375,256</u>	<u>4,653,249</u>	<u>5,461,508</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	2,730,671	2,765,471
Investments	16	2,165,000	2,165,000
		<u>4,895,671</u>	<u>4,930,471</u>
Current assets			
Stocks	17	22,705	21,439
Debtors	18	96,586	54,065
Cash at bank and in hand		497,920	403,215
		<u>617,211</u>	<u>478,719</u>
Creditors: amounts falling due within one year	19	<u>46,145</u>	<u>40,861</u>
Net current assets		<u>571,066</u>	<u>437,858</u>
Total assets less current liabilities		<u>5,466,737</u>	<u>5,368,329</u>
Creditors: amounts falling due after more than one year	20	<u>5,230</u>	<u>—</u>
Net assets		<u>5,461,507</u>	<u>5,368,329</u>
Funds of the charity			
Endowment funds		4,653,249	4,680,437
Restricted funds		375,256	364,994
Unrestricted funds		433,003	322,899
Total charity funds	22	<u>5,461,508</u>	<u>5,368,330</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 October 2024, and are signed on behalf of the board by:


M saqib khan (Oct 31, 2024 13:05 GMT)

Mr Saqib Khan
Trustee


Afzal Hussen Amirali Ahmed Ali (Oct 31, 2024 13:16 GMT)

Mr Afzal Hussen Amirali Ahmed Ali
Chairman

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

CROYDON MOSQUE & ISLAMIC CENTRE

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income	93,177	101,703
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	34,800	35,928
Dividends, interest and rents from investments	(80,800)	(85,900)
Accrued expenses	3,168	15,063
<i>Changes in:</i>		
Stocks	(1,266)	2,568
Trade and other debtors	(42,521)	(24,528)
Trade and other creditors	7,346	(26,105)
Cash generated from operations	13,904	18,729
Net cash from operating activities	13,904	18,729
Cash flows from investing activities		
Dividends, interest and rents from investments	80,800	85,900
Net cash from investing activities	80,800	85,900
Cash flows from financing activities		
Proceeds from borrowings	—	(209,885)
Net cash used in financing activities	—	(209,885)
Net increase/(decrease) in cash and cash equivalents	94,704	(105,256)
Cash and cash equivalents at beginning of year	403,215	508,470
Cash and cash equivalents at end of year	497,919	403,215

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

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements

Year ended 31 December 2023

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 2023

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 2023

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:

Freehold property	-	1% reducing balance
Fixtures and fittings	-	10% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	10% reducing balance
Computer equipment	-	33% reducing balance

Investments

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

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.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

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

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Investments in joint ventures *(continued)*

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.

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.

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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 2023 £
Donations			
Funeral income and donations	8,200	—	8,200
Donation - Construction fund	—	57,941	57,941
General donations	247,517	—	247,517
Madrassa Collections	135,520	—	135,520
Donated audit fee	3,000	—	3,000
	<u>394,237</u>	<u>57,941</u>	<u>452,178</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Funeral income and donations	—	10,750	10,750
Donation - Construction fund	—	58,256	58,256
General donations	236,978	—	236,978
Madrassa Collections	86,196	—	86,196
Donated audit fee	3,000	—	3,000
	<u>326,174</u>	<u>69,006</u>	<u>395,180</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Tax recovered under Gift Aid	<u>20,001</u>	<u>20,001</u>	<u>18,084</u>	<u>18,084</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Community events	—	5,500	5,500
Book shop income	14,442	—	14,442
	<u>14,442</u>	<u>5,500</u>	<u>19,942</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Community events	—	4,000	4,000
Book shop income	8,344	—	8,344
	<u>8,344</u>	<u>4,000</u>	<u>12,344</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from investment properties	80,800	80,800	85,900	85,900

8. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of other trading activities - Shop costs	11,994	11,994	11,396	11,396

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Expenditure on charitable activities	370,114	70,447	27,188	467,750

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Expenditure on charitable activities	330,524	40,696	27,188	398,409

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

10. Expenditure on charitable activities by activity type

	Support costs	Total funds	Total fund
	2023	2023	2022
	£	£	£
Charitable activities	464,750	464,750	380,508
Governance costs	3,000	3,000	17,901
	<u>467,750</u>	<u>467,750</u>	<u>398,409</u>

11. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>34,800</u>	<u>35,928</u>

12. Auditors remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>3,000</u>	<u>3,000</u>

13. Staff costs

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

	2023	2022
	£	£
Wages and salaries	233,341	203,273
Social security costs	<u>22,750</u>	<u>14,546</u>
	<u>256,091</u>	<u>217,819</u>

Administration functions are carried out by unpaid volunteers.

The average head count of employees during the year was 35 (2022: 35).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. 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 2023

15. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	User defined asset £	Total £
Cost						
At 1 Jan 2023 and 31 Dec 2023	<u>2,793,273</u>	<u>175,611</u>	<u>17,774</u>	<u>122,778</u>	<u>20,685</u>	<u>3,130,121</u>
Depreciation						
At 1 Jan 2023	101,625	136,354	16,342	89,708	20,621	364,650
Charge for the year	27,189	3,925	358	3,307	21	34,800
At 31 Dec 2023	<u>128,814</u>	<u>140,279</u>	<u>16,700</u>	<u>93,015</u>	<u>20,642</u>	<u>399,450</u>
Carrying amount						
At 31 Dec 2023	<u>2,664,459</u>	<u>35,332</u>	<u>1,074</u>	<u>29,763</u>	<u>43</u>	<u>2,730,671</u>
At 31 Dec 2022	<u>2,691,648</u>	<u>39,257</u>	<u>1,432</u>	<u>33,070</u>	<u>64</u>	<u>2,765,471</u>

Above Freehold Properties figure exclude Invested/Rented properties and include 525 London Road only. Title Deeds relating to all the properties, namely, 525 London Road, 16 St. Paul's Road, 1 Dunheved Road South and 670 London Road are registered in the name of Trustees and are held by them on behalf of the Charity.

16. Investments

	Investment properties £
Cost or valuation	
At 1 January 2023 and 31 December 2023	<u>2,165,000</u>
Impairment	
At 1 January 2023 and 31 December 2023	
Carrying amount	
At 31 December 2023	<u>2,165,000</u>
At 31 December 2022	<u>2,165,000</u>

All investments shown above are held at valuation.

Investment properties

The reduction in value of the properties are considered to be an estimate. Additions relate to the conversion costs of Dunheved Road property into five flats.

17. Stocks

	2023 £	2022 £
Islamic Books and consumables	<u>22,705</u>	<u>21,439</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

18. Debtors

	2023	2022
	£	£
Sundry debtors – employee loan, PAYE and Nest	1,600	2,200
Prepayments	8,712	6,281
Sundry debtors – rent	48,190	27,500
Gift aid	38,084	18,084
	<u>96,586</u>	<u>54,065</u>

19. Creditors: amounts falling due within one year

	2023	2022
	£	£
Qard e Hasna	17,000	17,000
Trade creditors	151	674
Accruals and deferred income	26,820	26,552
Outstanding Zakat and fitra distribution	2,174	(4,140)
Other creditors	–	775
	<u>46,145</u>	<u>40,861</u>

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

	2023	2022
	£	£
Social security and other taxes	<u>5,230</u>	<u>–</u>

21. Deferred income

	2023	2022
	£	£
Amount deferred in year	<u>–</u>	<u>2,900</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 23	Income £	Expenditure £	Prior year adjustments £	At 31 December 2023 £
General funds	322,899	509,480	(382,108)	—	450,271
	—	—	—	(17,268)	(17,268)
	<u>322,899</u>	<u>509,480</u>	<u>(382,108)</u>	<u>(17,268)</u>	<u>433,003</u>

Prior year adjustments are in relation to Janazah Service wages which are restricted in nature.

	At 1 January 20 22	Income £	Expenditure £	Prior year adjustments £	At 31 December 2022 £
General funds	226,317	438,502	(341,920)	—	322,899
	—	—	—	—	—
	<u>226,317</u>	<u>438,502</u>	<u>(341,920)</u>	<u>—</u>	<u>322,899</u>

Restricted funds

	At 1 January 20 23	Income £	Expenditure £	Prior year adjustments £	At 31 December 2023 £
Restricted Fund	364,994	63,441	(70,447)	—	357,988
	—	—	—	17,268	17,268
	<u>364,994</u>	<u>63,441</u>	<u>(70,447)</u>	<u>17,268</u>	<u>375,256</u>

	At 1 January 20 22	Income £	Expenditure £	Prior year adjustments £	At 31 December 2022 £
Restricted Fund	332,684	73,006	(40,696)	—	364,994
	—	—	—	—	—
	<u>332,684</u>	<u>73,006</u>	<u>(40,696)</u>	<u>—</u>	<u>364,994</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

22. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 January 20 23 £	Income £	Expenditure £	Prior year adjustments £	At 31 December r 2023 £
Permanent Endowment Fund	4,680,437	—	(27,188)	—	4,653,249

	At 1 January 20 22 £	Income £	Expenditure £	Prior year adjustments £	At 31 December 2022 £
Permanent Endowment Fund	4,707,625	—	(27,188)	—	4,680,437

23. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	At 31 Dec 2023 £
Cash at bank and in hand	403,215	94,705	497,920
Debt due within one year	(17,000)	—	(17,000)
	386,215	94,705	480,920

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

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 2023

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

CROYDON MOSQUE & ISLAMIC CENTRE

Detailed Statement of Financial Activities

Year ended 31 December 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Funeral income and donations	8,200	10,750
Donation - Construction fund	57,941	58,256
General donations	247,517	236,978
Madrassa Collections	135,520	86,196
Donated audit fee	3,000	3,000
	<u>452,178</u>	<u>395,180</u>
Charitable activities		
Tax recovered under Gift Aid	20,001	18,084
Other trading activities		
Community events	5,500	4,000
Book shop income	14,442	8,344
	<u>19,942</u>	<u>12,344</u>
Investment income		
Income from investment properties	80,800	85,900
Total income	<u>572,921</u>	<u>511,508</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2023

	2023 £	2022 £
Expenditure		
Costs of other trading activities		
Opening stock	21,439	24,007
Purchases	13,260	8,828
Closing stock	22,705	21,439
	<u>11,994</u>	<u>11,396</u>
Expenditure on charitable activities		
Purchases	15,780	20,189
Wages and salaries	233,341	203,273
Employer's NIC	22,750	14,546
Rates and water	1,775	96
Light and heat	39,875	24,342
Repairs and maintenance	37,246	17,680
Insurance	10,194	12,398
Funeral expenses	1,659	1,489
Vehicle leasing/hire	—	2,164
Other motor/travel costs	130	344
Legal and professional fees	17,112	14,612
Telephone	2,251	3,150
Stationery and computer expenses	749	1,494
Depreciation	34,800	35,928
Bank charges	41,099	25,798
Shariah Compliant loan – rent payable	4,629	18,694
Book-keeping charges	4,360	2,212
	<u>467,750</u>	<u>398,409</u>
Total expenditure	<u>479,744</u>	<u>409,805</u>
Net income	<u>93,177</u>	<u>101,703</u>

CROYDON MOSQUE & ISLAMIC CENTRE

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2023

	2023 £	2022 £
Costs of other trading activities		
Costs of other trading activities - Shop costs		
Book shop costs - opening stock	21,439	24,007
Book shop costs - purchases	13,260	8,828
Book shop costs - closing stock	(22,705)	(21,439)
	<u>11,994</u>	<u>11,396</u>
Costs of other trading activities	<u>11,994</u>	<u>11,396</u>
Expenditure on charitable activities		
Support costs		
Support charitable activity 1 - purchases	15,780	20,189
Support charitable activity 1 - wages/salaries	233,341	203,273
Support charitable activity 1 - employer's NIC	22,750	14,546
Support charitable activity 1 - rates & water	1,775	96
Support charitable activity 1 - light & heat	39,875	24,342
Support charitable activity 1 - repairs & maintenance	37,246	17,680
Support charitable activity 1 - insurance	10,194	12,398
Support charitable activity 1 - Funeral cost	1,659	1,489
Support charitable activity 1 - Sundry	—	2,164
Support charitable activity 1 - other motor/travel costs	130	344
Support charitable activity 1 - legal and professional fees	14,112	11,609
Support charitable activity 1 - telephone	2,251	3,150
Support charitable activity 1 - Stationary and computer expenses	749	1,494
Support charitable activity 1 - depreciation	34,800	35,928
Support charitable activity 1 - Social and Community events	41,099	25,798
Support charitable activity 1 - Bank Charges	4,629	3,796
Support charitable activity 1 - Book-keeping	4,360	2,212
	<u>464,750</u>	<u>380,508</u>
Governance costs		
Governance costs - donated audit fees	3,000	3,003
Shariah Compliant Loan - rent payable	—	14,898
	<u>3,000</u>	<u>17,901</u>
Expenditure on charitable activities	<u>467,750</u>	<u>398,409</u>