

INTERNATIONAL MUSLIM MOVEMENT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

INTERNATIONAL MUSLIM MOVEMENT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H L Ali S A Q Jilani M U Hassan M Khan Z A Shakoor
Charity number	285397
Principal address	12 East Avenue Walthamstow London E17 9NG
Independent examiner	Stewart & Partners Kinetic Business Centre Theobald Street Borehamwood Herts WD6 4PJ
Bankers	Lloyds TSB Plc Walthamstow Branch 180 - 182 High Street Walthamstow London E17 7JH

INTERNATIONAL MUSLIM MOVEMENT

CONTENTS

	Page
Trustees' report	1
Independent examiner's report	2
Statement of financial activities	3
Balance sheet	4
Notes to the financial statements	5 - 9

INTERNATIONAL MUSLIM MOVEMENT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are the establishment and support of a school to teach the Islamic faith and further the knowledge of Urdu, Arabic, Persian and English languages. The policies adopted in furtherance of these objects are to run and maintain a school and there has been no change in these during the year.

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

The charity continues the promotion and teaching of Muslim culture from the building in the London Borough of Waltham Forest which was purchased by the charity and converted into a religious school and mosque

Financial review

The attached financial statements show that the charity has maintained satisfactory income and reserves during the year.

The school continues to extend its premises by building a new third floor and a basement. the expenditure incurred during the year is shown in the note tangible fixed assets as additions to land and buildings. The trustees are confident that the work on the new building will be finished in the near future.

It is the policy of the charity to maintain throughout the year its unrestricted funds at a level which covers its ongoing charitable and administration expenditure.

The trustees believe that by maintaining reserves at current levels there are sufficient resources in event of adverse conditions, however, they regularly review risks that may be faced by the charity.

Structure, governance and management

The charity was established by a charitable trust deed on 14 August 1982. The charity's objects are the establishment and support of a school to teach the Islamic faith and further the knowledge of Urdu, Arabic, Persian and English languages.

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

H L Ali
S A Q Jilani
M U Hassan
M Khan
Z A Shakoor

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

M U Hassan

Trustee

Dated: 19 July 2021

INTERNATIONAL MUSLIM MOVEMENT

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF INTERNATIONAL MUSLIM MOVEMENT

I report to the trustees on my examination of the financial statements of International Muslim Movement (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

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

Simon A Lever B.Com, FCA
Stewart & Partners
Chartered Accountants

Kinetic Business Centre
Theobald Street
Herts
WD6 4PJ

Dated: 19 July 2021

INTERNATIONAL MUSLIM MOVEMENT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Incoming voluntary resources	3	35,660	80,911
<u>Expenditure on:</u>			
Charitable activities		40,414	57,863
Other	6	-	10
Total resources expended		40,414	57,873
Net (expenditure)/income for the year/ Net movement in funds		(4,754)	23,038
Fund balances at 1 April 2020		882,756	859,718
Fund balances at 31 March 2021		878,002	882,756

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

All income and expenditure derive from continuing activities.

INTERNATIONAL MUSLIM MOVEMENT

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		781,938		777,465
Current assets					
Debtors	9	-		2,015	
Cash at bank and in hand		100,427		106,690	
		<u>100,427</u>		<u>108,705</u>	
Creditors: amounts falling due within one year	10	<u>(4,363)</u>		<u>(3,414)</u>	
Net current assets			96,064		105,291
Total assets less current liabilities			<u>878,002</u>		<u>882,756</u>
Income funds					
Unrestricted funds			878,002		882,756
			<u>878,002</u>		<u>882,756</u>

The financial statements were approved by the Trustees on 19 July 2021

S A Q Jilani
Trustee

M U Hassan
Trustee

INTERNATIONAL MUSLIM MOVEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

International Muslim Movement is a charitable trust.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

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

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INTERNATIONAL MUSLIM MOVEMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure on the management and administration of the charity includes all expenditure not directly related to charitable activities.

1.6 Tangible fixed assets

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

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

Land and buildings	Nil
Fixtures, fittings & equipment	25% on the reducing annual balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

INTERNATIONAL MUSLIM MOVEMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Incoming voluntary resources

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	35,660	80,911

INTERNATIONAL MUSLIM MOVEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year,

5 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching	3	3

Employment costs

	2021 £	2020 £
Wages and salaries	23,760	23,760

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

6 Other

	Total £ 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	-	10

7 Taxation

As a registered charity there is no liability to tax.

INTERNATIONAL MUSLIM MOVEMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2020	776,361	19,932	796,293
Additions	-	4,751	4,751
At 31 March 2021	776,361	24,683	801,044
Depreciation and impairment			
At 1 April 2020	-	18,828	18,828
Depreciation charged in the year	-	278	278
At 31 March 2021	-	19,106	19,106
Carrying amount			
At 31 March 2021	776,361	5,577	781,938
At 31 March 2020	776,361	1,104	777,465

In the opinion of the trustees the book value of the freehold property is lower than its current market value.

9 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	-	2,015

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	22
Other creditors	2,072	812
Accruals and deferred income	2,291	2,580
	4,363	3,414

11 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).