

**HENDON MOSQUE & ISLAMIC CENTRE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

REGISTERED CHARITY NO. 289834

HENDON MOSQUE & ISLAMIC CENTRE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

OFFICIALS AND ADVISORS

Executive Trustee Council:

M. Rehman	(President)
A.N. Kadri	(Vice President)
A.M. Mehdi	(Treasurer)
A. Rehman	(General Secretary)
S.S.A.Alhaddad	(Assistant Secretary)
J Nazir	(Assistance Treasurer)
S.M. Kadri	(Deceased)

Custodian Trustees:

S.M Al Hadad	
A.Faki	
M.H Dhakam	
A.I. Herwitker	
J. Zeb	
S.M. Kadri	(Deceased)

Charity Registration No:

289834

Principal Address:

Brent View Road
West Hendon
London
NW9 7EL

Auditors

Lewis Associates
Chartered Certified Accountants
75 Coniston Gardens
London
NW9 0BA

Solicitors

Johns & Saggar
16 High Holborn
London
WC1V 6BX

Main Bank:

Barclays Bank Plc
West London Commercial branch
P.O.Box 13555
Acorn House
36-38 Park Royal Road
London
BX3 2BB

Trustees' Report for the year ended 31 March 2021

The trustees present their report along with the Audited Financial Statements of Hendon Mosque & Islamic Centre ('the charity') for the year ended 31st March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Trustees

the trustees named on page 1 have served throughout the year. Appointment of trustees is governed by the Trust Deed of the charity. The Board of trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Constitution, objects and policies

Hendon Mosque & Islamic Centre is a registered charity no. 289834 governed by its trust deed dated 29th January 1984 and amended on 21st October 2001. The main aims and objections of the charity are:

- arrange prayer gatherings;
- provide facilities for the teaching of Holy Quran and religious education for Muslim children and adults;
- arrange lectures, meetings and seminars to the furtherance of religious and Islamic education;
- co-operate and co-ordinate with other Islamic organisations who have similar aims and objections;
- provide funeral services for the Muslim community.

Organisation

The executive trustee council and custodian trustee members who have served during the year and since the year end are set out on page 1. The executive trustee council members are appointed at the Annual General Meeting for a term of three years after which they may put themselves up for re-appointment. The custodian trustees are appointed for a term of six years. The executive council meet on a monthly basis whilst custodian trustees meet quarterly.

Financial review and investment Policy

The results are shown on page 4 of the accounts. In the current year the pro-active fund raising has resulted in a significant increase in funds raised.

The Trustees are pleased to report that fund raising in the year went well but are aware that this will be a long haul to continue over the coming years in order that they can meet the substantial bank loans.

Risk management

The executive council have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen the these risks.

Auditors

Lewis Associates have been re-appointed as auditors for the ensuing year.

Statement of Trustees' responsibilities

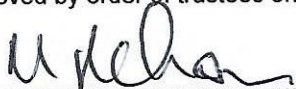
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- * select suitable accounting policies and then apply them consistently;
- * observe the methods and principles in the Charity SORP;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

Approved by order of trustees on 24 October 2021 and signed on its behalf by :


.....
M. Rehman

Trustee and General Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HENDON MOSQUE & ISLAMIC CENTRE

I have audited the financial statements of Hendon Mosque & Islamic Centre for the year ended 31 March 2021 on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 " The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 2 the charity's trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's ethical Standards for Auditors.

Basis of opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practice Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion


In my opinion the financial statements :

- * give a true and fair view of the state of the charity's affairs as at 31st March 2020 and of its incoming resources and applicable of resources for the year then ended;
- * have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, applicable to Smaller Entities ; and
- * have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Charities Act 2011 require us to report to you if, in my opinion:

- * the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements
- * sufficient accounting records have not been kept; or
- * I have not received all the information and explanations I require for my audit.


.....
Akbar Ghoulglay (Statutory Auditor)
for and on behalf of Lewis Associates, Statutory Auditor

24 October 2021

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

HENDON MOSQUE & ISLAMIC CENTRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	78,167	38,172	116,339	234,631
Incoming resources from charitable activities:	3	918,612		918,612	704,796
Investment income	4	<u>83,562</u>	<u> </u>	<u>83,562</u>	<u>139,082</u>
Total Incoming Resources		<u>1,080,341</u>	<u>38,172</u>	<u>1,118,513</u>	<u>1,078,509</u>
Resources expended					
Costs of charitable activities	5	916,215		916,215	834,052
Governance costs	6	4,767		4,767	9,519
Donations	7		45,700	45,700	74,349
Total Resources Expended		<u>920,982</u>	<u>45,700</u>	<u>966,682</u>	<u>917,920</u>
Net Incoming Resources For The Year		159,359	(7,528)	151,831	160,589
Net Movement In Funds					
Transfers		(5,329)	5,329		
Funds balance brought as at 1st April 2020		3,351,037	24,248	3,375,285	3,214,696
Funds Balances carried Forward at 31 March 2021		<u>3,505,067</u>	<u>22,049</u>	<u>3,527,116</u>	<u>3,375,285</u>

The Statement of Financial Activities include all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities


The notes on pages 7 to 10 form an integral part of the financial statements

HENDON MOSQUE & ISLAMIC CENTRE

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

			2021	2020
Fixed Assets	Note		£	£
Tangible Assets	9		3,032,409	3,043,786
Current Assets				
Other debtors	10	8,575	50,000	
Cash at bank and in hand	11	<u>548,644</u>	<u>301,499</u>	
			<u>557,219</u>	<u>351,499</u>
			3,589,628	3,395,285
Creditors: Amounts falling due				
after more than one year	12		<u>(62,512)</u>	<u>(20,000)</u>
Net Assets			<u>3,527,116</u>	<u>3,375,285</u>
Funds of the Charity			2021	2020
			£	£
Unrestricted Funds:				
General Purposes fund	13		3,505,067	3,351,037
Restricted Funds:				
Zakat & Sadqa fund	13		<u>22,049</u>	<u>24,248</u>
			<u>3,527,116</u>	<u>3,375,285</u>

Approved by the Board of Trustees on 24 October 2021
and signed on its behalf by

 Trustee and President
M. Rehman

 Trustee and Treasurer
A.M. Mehdi

The notes on pages 7 to 10 form an integral part of the financial statements.

HENDON MOSQUE & ISLAMIC CENTRE
STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net income		143,256	160,589
Adjustments for:			
Depreciation of tangible fixed assets		41,175	39,110
Dividends, interest and rents from investments		(83,562)	(139,082)
Changes in:			
Capital expenditure		29,798	-
Trade and other debtors		(41,425)	50,000
Trade and other creditors		<u>74,341</u>	<u>(20,000)</u>
Net cash (used in) from operating activities		<u>163,583</u>	<u>90,617</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		83,562	139,082
Net cash (used in) investing activities		<u>83,562</u>	<u>139,082</u>
Net (decrease)/increase in cash and cash equivalents		247,145	129,699
Cash and cash equivalents at beginning of year		<u>301,499</u>	<u>171,800</u>
Cash and cash equivalents at end of year	11	<u>548,644</u>	<u>301,499</u>

The notes on pages 7 to 10 form an integral part of the financial statements.

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies**1.1 Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

1.2 Going Concern

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

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice and Reporting (effective March 2005) issued by the Charity Commission.

1.3 Income

All income is recognised in the Standard of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Expenditure includes VAT where applicable as the company cannot reclaim it.

1.5 Tangible fixed assets for use by the charity and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings & improvements	50 years straight line on cost
Furniture, fixtures and equipment	10% straight line basis on cost
Motor vehicle	10% straight line basis on cost

1.6 Taxation

The charity is exempt from tax on its charitable activities.

1.7 Pension costs

The charity operates a defined contribution pension scheme.

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
2. Voluntary Income				
Donations				
Donations - Friday Collections and subscriptions	78,167		78,167	165,883
Donations - Zakat & Sadqa funds		31,402	31,402	45,931
Donations - Public appeals		<u>6,770</u>	<u>6,770</u>	<u>22,817</u>
	<u>78,167</u>	<u>38,172</u>	<u>116,339</u>	<u>234,631</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 - continued

	Total 2021 £	Total 2020 £
3. Incoming resources from charitable activities		
Islamic Funeral Services	648,135	543,556
Madrasa Fees	134,982	149,356
Sale of UHF radio relay receivers and fans	3,350	5,245
Sale of Islamic calendars	2,095	2,836
Sale of educational books and misc fees	1,985	3,803
HMRC - Furlough Grants	93,065	-
LB Grants	35,000	-
	<u>918,612</u>	<u>704,796</u>

	Total 2021 £	Total 2020 £
4. Investment income		
Income for investment properties	<u>83,562</u>	<u>139,082</u>

	Total 2021 £	Total 2020 £
5. Costs of charitable activities		
Islamic funeral costs	545,494	439,612
Islamic Calendars	1,355	1,200
UHF radio relay receivers and fans	1,486	4,864
Salaries including NIC	248,416	222,225
Pension costs	4,007	3,351
Council tax and rent	-	6,406
Light, heat and water	14,987	15,920
Printing, postage and stationery	1,639	3,603
Educational books etc	266	1,419
Telephone and internet	4,715	4,451
Insurance	10,300	9,364
Repairs and renewals	37,032	69,161
Iftari expenses	-	188
Subscriptions and affiliation fees	50	50
Cleaning and miscellaneous expenses	5,293	13,128
Depreciation	<u>41,175</u>	<u>39,110</u>
	<u>916,215</u>	<u>834,052</u>

	Total 2021 £	Total 2020 £
6. Governance Costs		
Legal and professional	1,862	4,305
Bank charges	2,905	4,498
Bank Loan interest	-	716
	<u>4,767</u>	<u>9,519</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021 - continued

	Total 2021 £	Total 2020 £
7. Donations		
Donations - Zakat and Sadqa	35,700	44,117
Donations - Public appeal	10,000	30,232
	<u>45,700</u>	<u>74,349</u>

8. Staff costs

No remuneration was paid to trustees in the year, nor were any trustees' expenses claimed.
The staff costs were:

	2021 £	2020 £
Wages and salaries	248,416	222,225
Pension costs	<u>4,007</u>	<u>3,351</u>

The average weekly number of staff employed calculated as full-time equivalents during the year was as follows:

	2020	2020
Administrative & education	<u>15</u>	<u>15</u>

No employee received remuneration of more than £60,000.

9. Schedule of Tangible Assets

Cost	Freehold Land & Building £	Furniture & Equipment £	Motor Vehicle £	Total £
Balance brought forward	3,451,782	196,695	31,308	3,679,785
Additions during the year	-	-	<u>29,798</u>	<u>29,798</u>
	<u>3,451,782</u>	<u>196,695</u>	<u>61,106</u>	<u>3,709,583</u>

Depreciation:

Balance brought forward	411,675	196,694	27,630	635,999
Charge for the year	<u>34,518</u>	<u>-</u>	<u>6,657</u>	<u>41,175</u>
	<u>446,193</u>	<u>196,694</u>	<u>34,287</u>	<u>677,174</u>

Net Book Value

As At 31 March 2021	<u>3,005,589</u>	<u>1</u>	<u>26,819</u>	<u>3,032,409</u>
As At 31 March 2020	<u>3,040,107</u>	<u>1</u>	<u>3,678</u>	<u>3,043,786</u>

NOTES TO THE FINANCIAL STATMENTS

FOR THE YEAR ENDED 31 MARCH 2021 - continued

	2021 £	2020 £
10. Debtors		
Other debtors	<u>8,575</u>	<u>50,000</u>

	2021 £	2020 £
11. Cash and cash equivalents		
Cash at bank and in hand	<u>548,644</u>	<u>301,499</u>

	2021 £	2020 £
12. Creditors: Amounts falling after more than one year		
Quarza Hasana Loans	20,000	20,000
Accruals	<u>42,512</u>	<u>-</u>
	<u>62,512</u>	<u>20,000</u>

13	At 31 March 2020 £	Income £	Expenditure £	Transfer	At 31 March 2021 £
General reserve					
General Purposes Fund	<u>3,351,037</u>	<u>1,070,341</u>	<u>919,557</u>	<u>(5,329)</u>	<u>3,496,492</u>
Restricted funds					
Designated funds:					
Zakat & Sadqa account	<u>24,248</u>	<u>38,172</u>	<u>45,700</u>	<u>5,329</u>	<u>22,049</u>
Total restricted funds	<u>3,375,285</u>	<u>1,108,513</u>	<u>965,257</u>	<u>-</u>	<u>3,518,541</u>

The General purposes fund represents the free funds of the charity which are not designated for particular purposes.

Restricted Funds :

The Zakat and Sadqa fund are funds under which specific monies are received by the members and the local community which is applied strictly according to Islamic law and distributed amongst the specific Muslim charities thorough the world.

14. Related Party Disclosures

There were no related party transactions for the year.