

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales · Charity number 291264

Details

Status Registered

Legal form Other

Registered 1985-11-12

Register [View on the Charity Commission register](#)

Contact

Address Acton Mosque
2-5 Oldham Terrace
London
W3 6LS

Phone 02089938073

Email aizad.hussain@actonmosque.org

Website www.actonmosque.org

Activities

Objects: (I) THE ADVANCEMENT OF THE MUSLIM RELIGION. (II) THE ADVANCEMENT OF EDUCATION IN ACCORDANCE WITH THE TENETS AND DOCTRINE OF ISLAM. (III) THE RELIEF OF SUCH MUSLIMS WHO ARE POOR AND NEEDY. (IV) TO ADVANCE ANY OTHER CHARITABLE PURPOSE FOR THE BENEFIT OF MUSLIMS IN ACTON.

Activities: Acton's main mosque providing daily prayers, pastoral care and religious teaching.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** ACTON
- Ealing

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£293,084	£311,634	-	-
2024-03-31	£277,751	£260,222	-	-
2023-03-31	£270,673	£273,497	-	-
2022-03-31	£177,035	£143,216	-	-
2021-03-31	£92,192	£149,443	-	-

Trustees

Name	Role	Appointed
AMANAT ALI		
Alexander George Farquhar		
Syed Mumtaz Hussain		

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales - Charity number 291264

Accounts

Charity registration number 291264 (England and Wales)

ACTON MUSLIM WELFARE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ACTON MUSLIM WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Amanat Ali
Mr A G Farquhar
Mr Syed Mumtaz Hussain

Charity registration

England and Wales

291264

Principal address

2-5 Oldham Terrace
Acton
London
United Kingdom
W3 6LS

Independent examiner

Reddy Siddiqui LLP
183-189 The Vale
Acton
London
United Kingdom
W3 7RW

ACTON MUSLIM WELFARE ASSOCIATION

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ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

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 constitution, 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)" (effective 1 January 2019).

Objectives and activities

The principal activity of the charity during the year continued to be that of:

- The advancement of the Muslim religion.
- The advancement of education in accordance with the tenets and doctrine of Islam.
- The relief of such Muslims who are poor and needy.
- To advance any other charitable purpose for the benefit of Muslims in Acton.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

During the year, mosque activities remained very strong with the provision of five daily prayers, 7-days a week teaching (Madrasah) services, sisters' classes for youth of Acton and the strengthening of our Zakat distribution programme with the NZF which runs on weekends.

Total unrestricted income from donations grew from £176,488 in the prior year to £214,099, because of smaller lump sum donations. Electronic donations continued their growth, doubling during the year to represent approximately 45% of all donations. Bucket donations have remained broadly flat over the medium-term history whilst all the growth has come from electronic means. Our overall costs increased to £229,554 resulting in a small net deficit of (£15,545). Our restricted activities focused on supporting the poor and needy around the world, allowed us to remit £82,080 which goes to show the generosity of all the attendees of the mosque and serves as a reminder that the community is so keen to help others less fortunate and gives us this great trust to distribute their contributions wisely. We closed with a slight increase in our cash balances of £141,482.

Financial review

During the year the charity continued to receive donations which will be used to fund its activities.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Major risks

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Mr Amanat Ali

Mr A G Farquhar

Mr Syed Mumtaz Hussain

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT (CONTINUED)

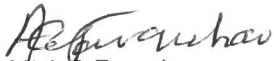
FOR THE YEAR ENDED 31 MARCH 2025

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees report was approved by the Board of Trustees.



Mr A G Farquhar

Trustee

9 January 2026

ACTON MUSLIM WELFARE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTON MUSLIM WELFARE ASSOCIATION

I report to the Trustees on my examination of the financial statements of Acton Muslim Welfare Association (the charity) for the year ended 31 March 2025.

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.

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 Charities Act 2011.
- 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 financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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.



Reddy Siddiqui LLP

183-189 The Vale

Acton

London

W3 7RW

United Kingdom

9 January 2026

ACTON MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	214,009	79,075	293,084	176,488	101,264	277,752
Total income		214,009	79,075	293,084	176,488	101,264	277,752
Expenditure on:							
Charitable activities	4	229,554	82,080	311,634	170,896	89,326	260,222
Total expenditure		229,554	82,080	311,634	170,896	89,326	260,222
Net income/(expenditure) and movement in funds		(15,545)	(3,005)	(18,550)	5,592	11,938	17,530
Reconciliation of funds:							
Fund balances at 1 April 2024		2,102,118	21,340	2,123,458	2,096,526	9,402	2,105,928
Fund balances at 31 March 2025		2,086,573	18,335	2,104,908	2,102,118	21,340	2,123,458

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

ACTON MUSLIM WELFARE ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	9		1,967,867		1,989,015
Current assets					
Debtors	10	5,500		10,000	
Cash at bank and in hand		141,482		126,836	
		<u>146,982</u>		<u>136,836</u>	
Creditors: amounts falling due within one year	11	(9,941)		(2,393)	
Net current assets			<u>137,041</u>		<u>134,443</u>
Total assets less current liabilities			<u>2,104,908</u>		<u>2,123,458</u>
The funds of the charity					
Restricted income funds	13		18,335		21,340
Unrestricted funds	14		2,086,573		2,102,118
			<u>2,104,908</u>		<u>2,123,458</u>

The financial statements were approved by the Trustees on 9 January 2026


Mr A G Farquhar
Trustee


Mr Syed Mumtaz Hussain
Trustee

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Acton Muslim Welfare Association is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". 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 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 or grantors 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 Income

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

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	60% of the value over 100 years
Fixtures, fittings & equipment	15% reducing balance
Computers	15% reducing balance
Motor vehicles	20% reducing balance
Dome (Included in Fixtures, fittings & equipment)	Straight Line over 4 years

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 the statement of financial activities.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations and gifts	214,009	79,075	293,084	277,752
For the year ended 31 March 2024	<u>176,488</u>	<u>101,264</u>		<u>277,752</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Expenditure on charitable activities

	Masjid activities 2025 £	Masjid activities 2024 £
Direct costs		
Staff costs	119,606	96,596
Depreciation and impairment	21,149	22,741
Zakat and Sadaqa	82,080	89,326
	<u>222,835</u>	<u>208,663</u>
Share of support and governance costs (see note 5)		
Support	87,101	50,131
Governance	1,698	1,428
	<u>311,634</u>	<u>260,222</u>
Analysis by fund		
Unrestricted funds	229,554	170,896
Restricted funds	82,080	89,326
	<u>311,634</u>	<u>260,222</u>

5 Support costs

	Support costs £	Governance costs £	2025 £	2024 £	Basis of allocation
Masjid expenses	87,101	-	87,101	50,131	
Accountancy	-	1,698	1,698	1,428	Governance
	<u>87,101</u>	<u>1,698</u>	<u>88,799</u>	<u>51,559</u>	
Analysed between Charitable activities	<u>87,101</u>	<u>1,698</u>	<u>88,799</u>	<u>51,559</u>	

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	5	4

Employment costs

	2025 £	2024 £
Wages and salaries	113,414	93,023
Social security costs	4,375	1,802
Other pension costs	1,817	1,771
	<u>119,606</u>	<u>96,596</u>

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

8 Taxation

The charity is exempt from tax on its charitable activities.

9 Tangible fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2024	2,067,531	138,473	5,677	25,220	2,236,901
At 31 March 2025	<u>2,067,531</u>	<u>138,473</u>	<u>5,677</u>	<u>25,220</u>	<u>2,236,901</u>
Depreciation and impairment					
At 1 April 2024	135,708	88,681	1,582	21,914	247,885
Depreciation charged in the year	12,405	7,469	614	661	21,149
At 31 March 2025	<u>148,113</u>	<u>96,150</u>	<u>2,196</u>	<u>22,575</u>	<u>269,034</u>
Carrying amount					
At 31 March 2025	<u>1,919,418</u>	<u>42,323</u>	<u>3,481</u>	<u>2,645</u>	<u>1,967,867</u>
At 31 March 2024	<u>1,931,823</u>	<u>49,792</u>	<u>4,094</u>	<u>3,306</u>	<u>1,989,015</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Debtors			
		2025	2024
Amounts falling due within one year:		£	£
Other debtors		5,500	10,000
		<u>5,500</u>	<u>10,000</u>
11 Creditors: amounts falling due within one year			
		2025	2024
		£	£
Other taxation and social security		5,371	1,673
Other creditors		2,572	-
Accruals and deferred income		1,998	720
		<u>9,941</u>	<u>2,393</u>
12 Retirement benefit schemes			
		2025	2024
Defined contribution schemes		£	£
Charge to profit or loss in respect of defined contribution schemes		1,817	1,771
		<u>1,817</u>	<u>1,771</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
	21,340	79,075	(82,080)	18,335
	<u>21,340</u>	<u>79,075</u>	<u>(82,080)</u>	<u>18,335</u>
Previous year:				
	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
	9,402	101,264	(89,326)	21,340
	<u>9,402</u>	<u>101,264</u>	<u>(89,326)</u>	<u>21,340</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	2,102,118	214,009	(229,554)	2,086,573
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	2,096,526	176,488	(170,896)	2,102,118

15 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Tangible assets	1,967,867	-	1,967,867	1,989,015	-	1,989,015
Current assets/(liabilities)	118,706	18,335	137,041	134,443	-	134,443
	<u>2,086,573</u>	<u>18,335</u>	<u>2,104,908</u>	<u>2,123,458</u>	<u>-</u>	<u>2,123,458</u>

16 Related party transactions

During the year, Mr Aizul Haque received a total of £5,800 from zakat funds which were distributed to the poor and needy. Mr Amanat Ali received a total of £5,800 from zakat funds for the Rehmat Trust for the distribution to the poor and needy. Sadat Trust in which Mr Syed Mumtaz Hussain is a Trustee received £5,800 from zakat funds for the distribution to the poor and needy. Mr M S Khan, General Secretary, received £5,800 from zakat distribution to the poor and needy.

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales - Charity number 291264

Accounts

Charity registration number 291264 (England and Wales)

ACTON MUSLIM WELFARE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ACTON MUSLIM WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Amanat Ali
Mr A G Farquhar
Mr Syed Mumtaz Hussain

Charity number (England and Wales)

291264

Principal address

2-5 Oldham Terrace
Acton
London
United Kingdom
W3 6LS

Independent examiner

Reddy Siddiqui LLP
183-189 The Vale
Acton
London
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W3 7RW

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ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements for the year ended 31 March 2024.

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 constitution, 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)" (effective 1 January 2019).

Objectives and activities

The principal activity of the charity during the year continued to be that of:

- The advancement of the Muslim religion.
- The advancement of education in accordance with the tenets and doctrine of Islam.
- The relief of such Muslims who are poor and needy.
- To advance any other charitable purpose for the benefit of Muslims in Acton.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

During the year, mosque activities remained very strong with the provision of five daily prayers, 7-days a week teaching (Madrasah) services, sisters' classes for youth of Acton and launching of a Zakat distribution programme with the NZF towards the back end of the year.

Total unrestricted income from donations fell slightly to £176,488 from £207,699 in the prior year because of smaller lump sum donations. Electronic donations continued their growth, doubling in the year to represent approximately 45% of all donations. Bucket donations have remained broadly flat over the medium-term history whilst all the growth has come from electronic means. We maintained a strong control on costs which also fell from £200,262 to £170,896 through the period, allowing a net surplus of £5,592. Our restricted activities focused on supporting the poor and needy around the world, allowed us to remit £89,326 which goes to show the generosity of all the attendees of the mosque and serves as a reminder that the community is so keen to help others less fortunate and gives us this great trust to distribute their contributions wisely. We closed with a slight increase in our cash balances of £126,835.

Financial review

During the year the charity continued to receive donations which will be used to fund its activities.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Major risks

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Mr Amanat Ali

Mr A G Farquhar

Mr Syed Mumtaz Hussain

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts;
and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees report was approved by the Board of Trustees.


Mr A G Farquhar
Trustee

9 January 2025

ACTON MUSLIM WELFARE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTON MUSLIM WELFARE ASSOCIATION

I report to the Trustees on my examination of the financial statements of Acton Muslim Welfare Association (the charity) for the year ended 31 March 2024.

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.

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

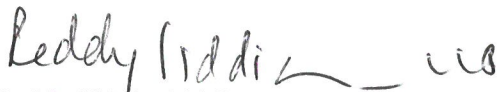
Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 Charities Act 2011.
- 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 financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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.



Reddy Siddiqui LLP

183-189 The Vale

Acton

London

W3 7RW

United Kingdom

9 January 2025

ACTON MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	176,488	101,264	277,752	207,699	62,974	270,673
Total income		176,488	101,264	277,752	207,699	62,974	270,673
Expenditure on:							
Charitable activities	4	170,896	89,326	260,222	200,262	73,235	273,497
Total expenditure		170,896	89,326	260,222	200,262	73,235	273,497
Net income/(expenditure) and movement in funds		5,592	11,938	17,530	7,437	(10,261)	(2,824)
Reconciliation of funds:							
Fund balances at 1 April 2023		2,096,526	9,402	2,105,928	2,089,089	19,663	2,108,752
Fund balances at 31 March 2024		2,102,118	21,340	2,123,458	2,096,526	9,402	2,105,928

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

ACTON MUSLIM WELFARE ASSOCIATION

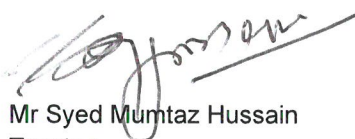
BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	9		1,989,015		2,011,756
Current assets					
Debtors	10	10,000		-	
Cash at bank and in hand		126,836		103,767	
		<u>136,836</u>		<u>103,767</u>	
Creditors: amounts falling due within one year	11	<u>(2,393)</u>		<u>(9,595)</u>	
Net current assets			134,443		94,172
Total assets less current liabilities			<u>2,123,458</u>		<u>2,105,928</u>
The funds of the charity					
Restricted income funds	13		21,340		9,402
Unrestricted funds	14		2,102,118		2,096,526
			<u>2,123,458</u>		<u>2,105,928</u>

The financial statements were approved by the Trustees on 9 January 2025


Mr A G Farquhar
Trustee


Mr Syed Mumtaz Hussain
Trustee

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Acton Muslim Welfare Association is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". 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 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 or grantors 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 Income

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

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	60% of the value over 100 years
Fixtures, fittings & equipment	15% reducing balance
Computers	15% reducing balance
Motor vehicles	20% reducing balance
Dome (Included in Fixtures, fittings & equipment)	Straight Line over 4 years

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 the statement of financial activities.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2024	Total 2023
	£	£	£	£
Donations and gifts	176,488	94,144	270,632	250,855
Funeral donation	-	7,120	7,120	19,818
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
For the year ended 31 March 2023	<u>207,699</u>	<u>62,974</u>		<u>270,673</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

4 Expenditure on charitable activities

	Support Costs 2024 £	Funeral 2024 £	Madrasa 2024 £	Total 2024 £	Support Costs 2023 £	Funeral 2023 £	Madrasa 2023 £	Total 2023 £
Direct costs								
Staff costs	96,596	-	-	96,596	92,688	-	-	92,688
Depreciation and impairment	22,741	-	-	22,741	29,291	-	-	29,291
Charitable expenditure	83,321	3,100	2,905	89,326	69,805	2,930	500	73,235
	<u>202,658</u>	<u>3,100</u>	<u>2,905</u>	<u>208,663</u>	<u>191,784</u>	<u>2,930</u>	<u>500</u>	<u>195,214</u>
Share of support and governance costs (see note 5)								
Support	50,131	-	-	50,131	76,855	-	-	76,855
Governance	1,428	-	-	1,428	1,428	-	-	1,428
	<u>254,217</u>	<u>3,100</u>	<u>2,905</u>	<u>260,222</u>	<u>270,067</u>	<u>2,930</u>	<u>500</u>	<u>273,497</u>
Analysis by fund								
Unrestricted funds	170,896	-	-	170,896	200,262	-	-	200,262
Restricted funds	83,321	3,100	2,905	89,326	69,805	2,930	500	73,235
	<u>254,217</u>	<u>3,100</u>	<u>2,905</u>	<u>260,222</u>	<u>270,067</u>	<u>2,930</u>	<u>500</u>	<u>273,497</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Support costs	Support costs	Governance costs	2024	2023	Basis of allocation
	£	£	£	£	
Other staff costs	50,131	-	50,131	76,855	
Accountancy	-	1,428	1,428	1,428	Governance
	<u>50,131</u>	<u>1,428</u>	<u>51,559</u>	<u>78,283</u>	
Analysed between Charitable activities	<u>50,131</u>	<u>1,428</u>	<u>51,559</u>	<u>78,283</u>	

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	<u>4</u>	<u>4</u>
Employment costs	2024 £	2023 £
Wages and salaries	93,023	88,071
Social security costs	1,802	2,985
Other pension costs	1,771	1,632
	<u>96,596</u>	<u>92,688</u>

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

8 Taxation

The charity is exempt from tax on its charitable activities.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	1,989,015	-	1,989,015	2,011,756	-	2,011,756
Current assets/(liabilities)	134,443	-	134,443	84,770	9,402	94,172
	<u>2,123,458</u>	<u>-</u>	<u>2,123,458</u>	<u>2,096,526</u>	<u>9,402</u>	<u>2,105,928</u>

16 Related party transactions

During the year, Mr Aizul Haque received a total of £5,000 from zakat funds which were distributed to the poor and needy. Mr Amanat Ali received a total of £5,000 from zakat funds for the Rehmat Trust for the distribution to the poor and needy. Sadat Trust in which Mr Syed Mumtaz Hussain is a Trustee received £5,000 from zakat funds for the distribution to the poor and needy. Mr M S Khan, General Secretary, received £5,000 from zakat distribution to the poor and needy.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Tangible fixed assets	Land and buildings	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2023	2,067,531	138,473	5,677	25,220	2,236,901
At 31 March 2024	2,067,531	138,473	5,677	25,220	2,236,901
Depreciation and impairment					
At 1 April 2023	123,303	79,894	860	21,088	225,145
Depreciation charged in the year	12,405	8,787	723	826	22,741
At 31 March 2024	135,708	88,681	1,583	21,914	247,886
Carrying amount					
At 31 March 2024	1,931,823	49,792	4,094	3,306	1,989,015
At 31 March 2023	1,944,228	58,579	4,817	4,132	2,011,756
10 Debtors				2024	2023
Amounts falling due within one year:				£	£
Other debtors				10,000	-
11 Creditors: amounts falling due within one year				2024	2023
				£	£
Other taxation and social security				1,673	8,875
Accruals and deferred income				720	720
				2,393	9,595
12 Retirement benefit schemes				2024	2023
Defined contribution schemes				£	£
Charge to profit or loss in respect of defined contribution schemes				1,771	1,632

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
	9,402	101,264	(89,326)	21,340
	<u>9,402</u>	<u>101,264</u>	<u>(89,326)</u>	<u>21,340</u>
Previous year:				
	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
	19,663	62,974	(73,235)	9,402
	<u>19,663</u>	<u>62,974</u>	<u>(73,235)</u>	<u>9,402</u>

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	2,096,526	176,488	(170,896)	2,102,118
	<u>2,096,526</u>	<u>176,488</u>	<u>(170,896)</u>	<u>2,102,118</u>
Previous year:				
	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	2,089,089	207,699	(200,262)	2,096,526
	<u>2,089,089</u>	<u>207,699</u>	<u>(200,262)</u>	<u>2,096,526</u>

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales - Charity number 291264

Accounts

Charity registration number 291264

ACTON MUSLIM WELFARE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ACTON MUSLIM WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Amanat Ali Mr A G Farquhar Mr Syed Mumtaz Hussain
Charity number	291264
Principal address	2-5 Oldham Terrace Acton London United Kingdom W3 6LS
Independent examiner	Reddy Siddiqui LLP 183-189 The Vale Acton London United Kingdom W3 7RW

ACTON MUSLIM WELFARE ASSOCIATION

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Balance sheet	5
Notes to the financial statements	6 - 12

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

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 constitution, 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)" (effective 1 January 2019).

Objectives and activities

The principal activity of the charity during the year continued to be that of:

- The advancement of the Muslim religion.
- The advancement of education in accordance with the tenets and doctrine of Islam.
- The relief of such Muslims who are poor and needy.
- To advance any other charitable purpose for the benefit of Muslims in Acton.

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

During the year, mosque activities recommenced following the reduction in the national lockdown rules and restrictions. During the year, the mosque benefitted from a substantial increase in donations including a large lump donation from the will of a deceased former attendee. In addition, electronic donations grew significantly to now represent approximately 25% of donations, up from under 10% in prior years. Following the end of the year, electronic donations have continued to grow.

As a result of the tight control on costs and the excellent total level of donations, our cash reserves recovered well allowing the mosque to commence planned works on repair and refurbishment of the external dome and minaret. Ongoing cash and liquidity remains strong as the multi-tiered income strategy continues to generate strong levels of monthly donations.

Financial review

During the year the charity continued to receive donations which will be used to fund its activities.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Major risks

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Mr Amanat Ali

Mr A G Farquhar

Mr Syed Mumtaz Hussain

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT (CONTINUED)

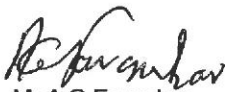
FOR THE YEAR ENDED 31 MARCH 2023

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts;
and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees report was approved by the Board of Trustees.



Mr A G Farquhar
Trustee

2 January 2024

ACTON MUSLIM WELFARE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTON MUSLIM WELFARE ASSOCIATION

I report to the Trustees on my examination of the financial statements of Acton Muslim Welfare Association (the charity) for the year ended 31 March 2023.

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.

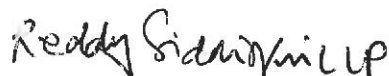
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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.



Reddy Siddiqui LLP

183-189 The Vale
Acton
London
W3 7RW
United Kingdom

Dated: 2 January 2024

ACTON MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	Notes	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Income from:							
Donations and legacies	3	207,699	62,974	270,673	136,381	40,654	177,035
Charitable activities	4	200,262	73,235	273,497	104,042	39,174	143,216
Net income/(expenditure) and movement in funds		7,437	(10,261)	(2,824)	32,339	1,480	33,819
Reconciliation of funds:							
Fund balances at 1 April 2022		2,089,089	19,663	2,108,752	2,056,750	18,183	2,074,933
Fund balances at 31 March 2023		<u>2,096,526</u>	<u>9,402</u>	<u>2,105,928</u>	<u>2,089,089</u>	<u>19,663</u>	<u>2,108,752</u>

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

ACTON MUSLIM WELFARE ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	9		2,011,756		1,997,527
Current assets					
Cash at bank and in hand		103,767		121,426	
Creditors: amounts falling due within one year	10				
		9,595		10,201	
Net current assets			94,172		111,225
Total assets less current liabilities			<u>2,105,928</u>		<u>2,108,752</u>
The funds of the charity					
Restricted income funds	11		9,402		19,663
Unrestricted funds			2,096,526		2,089,089
			<u>2,105,928</u>		<u>2,108,752</u>

The financial statements were approved by the Trustees on 2 January 2024


Mr A G Farquhar
Trustee


Mr Syed Mumtaz Hussain
Trustee

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Acton Muslim Welfare Association is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). 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 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 or grantors 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 Income

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

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	60% of the value over 100 years
Fixtures, fittings & equipment	15% reducing balance
Computers	15% reducing balance
Motor vehicles	20% reducing balance
Dome (Included in Fixtures, fittings & equipment)	Straight Line over 4 years

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 the statement of financial activities.

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.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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.

1.9 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Donations and gifts	207,699	43,156	250,855	153,517
Government grants	-	-	-	6,903
Funeral donation	-	19,818	19,818	16,615
	<u>207,699</u>	<u>62,974</u>	<u>270,673</u>	<u>177,035</u>
For the year ended 31 March 2022	<u>136,381</u>	<u>40,654</u>		<u>177,035</u>

4 Charitable activities

	Zakat and Fitrana 2023 £	Funeral 2023 £	School 2023 £	Total 2023 £	Total 2022 £
Staff costs	92,688	-	-	92,688	58,172
Depreciation and impairment	29,291	-	-	29,291	20,076
Charitable expenditure	69,805	2,930	500	73,235	39,174
	<u>191,784</u>	<u>2,930</u>	<u>500</u>	<u>195,214</u>	<u>117,422</u>
Share of support costs (see note 5)	76,855	-	-	76,855	24,180
Share of governance costs (see note 5)	1,428	-	-	1,428	1,614
	<u>270,067</u>	<u>2,930</u>	<u>500</u>	<u>273,497</u>	<u>143,216</u>
Analysis by fund					
Unrestricted funds	200,262	-	-	200,262	104,042
Restricted funds	69,805	2,930	500	73,235	39,174
	<u>270,067</u>	<u>2,930</u>	<u>500</u>	<u>273,497</u>	<u>143,216</u>
For the year ended 31 March 2022					
Unrestricted funds	104,042	-	-		104,042
Restricted funds	30,880	6,382	1,912		39,174
	<u>134,922</u>	<u>6,382</u>	<u>1,912</u>		<u>143,216</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Support costs	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Other staff costs	76,855	-	76,855	24,180	
Accountancy	-	1,428	1,428	1,614	Governance
	<u>76,855</u>	<u>1,428</u>	<u>78,283</u>	<u>25,794</u>	
Analysed between Charitable activities	<u>76,855</u>	<u>1,428</u>	<u>78,283</u>	<u>25,794</u>	

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>4</u>	<u>3</u>
Employment costs	2023	2022
	£	£
Wages and salaries	88,071	56,583
Social security costs	2,985	323
Other pension costs	1,632	1,266
	<u>92,688</u>	<u>58,172</u>

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

8 Taxation

The charity is exempt from tax on its charitable activities.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	2,067,531	94,953	5,677	25,220	2,193,381
Additions	-	43,520	-	-	43,520
At 31 March 2023	2,067,531	138,473	5,677	25,220	2,236,901
Depreciation and impairment					
At 1 April 2022	110,898	64,437	465	20,055	195,855
Depreciation charged in the year	12,405	15,457	395	1,033	29,290
At 31 March 2023	123,303	79,894	860	21,088	225,145
Carrying amount					
At 31 March 2023	1,944,228	58,579	4,817	4,132	2,011,756
At 31 March 2022	1,956,634	30,516	5,212	5,165	1,997,527

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	8,875	9,102
Other creditors	-	379
Accruals and deferred income	720	720
	9,595	10,201

11 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
	19,663	62,974	(73,235)	9,402
Previous year:				
	At 1 April 2021	Incoming resources	Resources expended	At 31 March 2022
	£	£	£	£
	18,183	40,654	(39,174)	19,663

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	2,089,089	207,699	(200,262)	2,096,526
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	2,056,750	136,381	(104,042)	2,089,089

13 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	2,011,756	-	2,011,756	1,997,527	-	1,997,527
Current assets/(liabilities)	84,770	9,402	94,172	111,225	-	111,225
	<u>2,096,526</u>	<u>9,402</u>	<u>2,105,928</u>	<u>2,108,752</u>	<u>-</u>	<u>2,108,752</u>

14 Related party transactions

During the year, Mr Aizul Haque received a total of £3,100 from zakat funds which were distributed to the poor and needy. Mr Amanat Ali received a total of £3,100 from zakat funds for the Rehmat Trust for the distribution to the poor and needy. Sadat Trust in which Mr Syed Mumtaz Hussain is a Trustee received £3,100 from zakat funds for the distribution to the poor and needy. Mr M S Khan, General Secretary, received £2,000 from zakat distribution to the poor and needy.

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales - Charity number 291264

Accounts

Charity registration number 291264

ACTON MUSLIM WELFARE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ACTON MUSLIM WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Amanat Ali Mr A G Farquhar Mr Syed Mumtaz Hussain
Charity number	291264
Principal address	2-5 Oldham Terrace Acton London W3 6LS
Independent examiner	Reddy Siddiqui LLP 183-189 The Vale Acton London W3 7RW

ACTON MUSLIM WELFARE ASSOCIATION

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Balance sheet	5
Notes to the financial statements	6 - 12

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

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 [governing document], 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)" (effective 1 January 2019).

Objectives and activities

The principal activity of the charity during the year continued to be that of:

- The advancement of the Muslim religion.
- The advancement of education in accordance with the tenets and doctrine of Islam.
- The relief of such Muslims who are poor and needy.
- To advance any other charitable purpose for the benefit of Muslims in Acton.

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

Achievements and performance

During the year, mosque activities recommenced following the reduction in the national lockdown rules and restrictions. During the year, the mosque benefitted from a substantial increase in donations including a large lump donation from the will of a deceased former attendee. In addition, electronic donations grew significantly to now represent approximately 25% of donations, up from under 10% in prior years. Following the end of the year, electronic donations have continued to grow.

As a result of the tight control on costs and the excellent total level of donations, our cash reserves recovered well allowing the mosque to commence planned works on repair and refurbishment of the external dome and minaret. Ongoing cash and liquidity remains strong as the multi-tiered income strategy continues to generate strong levels of monthly donations.

Financial review

During the year the charity continued to receive donations which will be used to fund its activities.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Mr Amanat Ali
Mr A G Farquhar
Mr Syed Mumtaz Hussain

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees report was approved by the Board of Trustees.



Mr A G Farquhar

Trustee

18 December 2022

ACTON MUSLIM WELFARE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTON MUSLIM WELFARE ASSOCIATION

I report to the Trustees on my examination of the financial statements of Acton Muslim Welfare Association (the charity) for the year ended 31 March 2022.

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).

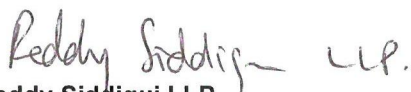
I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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.



Reddy Siddiqui LLP

183-189 The Vale
Acton
London
W3 7RW

Dated: 18 December 2022

ACTON MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	136,381	40,654	177,035	71,561	20,631	92,192
Expenditure on:							
Charitable activities	4	104,042	39,174	143,216	127,380	22,063	149,443
Net income/(expenditure) for the year/							
Net movement in funds		32,339	1,480	33,819	(55,819)	(1,432)	(57,251)
Fund balances at 1 April 2021		2,056,750	18,183	2,074,933	2,112,569	19,615	2,132,184
Fund balances at 31 March 2022		<u>2,089,089</u>	<u>19,663</u>	<u>2,108,752</u>	<u>2,056,750</u>	<u>18,183</u>	<u>2,074,933</u>

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

All income and expenditure derive from continuing activities.

ACTON MUSLIM WELFARE ASSOCIATION

BALANCE SHEET

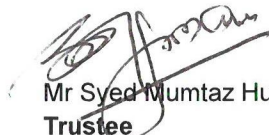
AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		1,997,527		2,017,322
Current assets					
Debtors		-		10,000	
Cash at bank and in hand		121,426		50,691	
		<u>121,426</u>		<u>60,691</u>	
Creditors: amounts falling due within one year	10	(10,201)		(3,080)	
Net current assets			111,225		57,611
Total assets less current liabilities			<u>2,108,752</u>		<u>2,074,933</u>
Income funds					
Restricted funds			19,663		18,183
Unrestricted funds			2,089,089		2,056,750
			<u>2,108,752</u>		<u>2,074,933</u>

The financial statements were approved by the Trustees on 18 December 2022



Mr A G Farquhar
Trustee



Mr Syed Mumtaz Hussain
Trustee

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Acton Muslim Welfare Association is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). 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 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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 Income

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

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	60% of the value over 100 years
Fixtures, fittings & equipment	15% reducing balance
Computers	Enter depreciation rate via StatDB - cd198
Motor vehicles	20% reducing 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 the statement of financial activities.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations and gifts	129,478	24,039	153,517	59,035
Government grants	6,903	-	6,903	32,707
Funeral donation	-	16,615	16,615	450
	<u>136,381</u>	<u>40,654</u>	<u>177,035</u>	<u>92,192</u>
For the year ended 31 March 2021	<u>71,561</u>	<u>20,631</u>		<u>92,192</u>

4 Charitable activities

	Zakat and Fitrana 2022 £	Funeral 2022 £	School 2022 £	Total 2022 £	Total 2021 £
Staff costs	58,172	-	-	58,172	68,979
Depreciation and impairment	20,076	-	-	20,076	21,222
Charitable expenditure	30,880	6,382	1,912	39,174	22,063
	<u>109,128</u>	<u>6,382</u>	<u>1,912</u>	<u>117,422</u>	<u>112,264</u>
Share of support costs (see note 5)	24,180	-	-	24,180	33,825
Share of governance costs (see note 5)	1,614	-	-	1,614	3,354
	<u>134,922</u>	<u>6,382</u>	<u>1,912</u>	<u>143,216</u>	<u>149,443</u>
Analysis by fund					
Unrestricted funds	104,042	-	-	104,042	127,380
Restricted funds	30,880	6,382	1,912	39,174	22,063
	<u>134,922</u>	<u>6,382</u>	<u>1,912</u>	<u>143,216</u>	<u>149,443</u>
For the year ended 31 March 2021					
Unrestricted funds	127,380	-	-		127,380
Restricted funds	21,798	265	-		22,063
	<u>149,178</u>	<u>265</u>	<u>-</u>		<u>149,443</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Other staff costs	24,180	-	24,180	33,825	
Accountancy	-	1,614	1,614	3,354	Governance
	<u>24,180</u>	<u>1,614</u>	<u>25,794</u>	<u>37,179</u>	
Analysed between Charitable activities	<u>24,180</u>	<u>1,614</u>	<u>25,794</u>	<u>37,179</u>	

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>3</u>	<u>3</u>
Employment costs	2022 £	2021 £
Wages and salaries	56,583	63,973
Social security costs	323	3,815
Other pension costs	1,266	1,191
	<u>58,172</u>	<u>68,979</u>

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

8 Taxation

The charity is exempt from tax on its charitable activities.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2021	2,067,531	76,012	5,677	25,220	2,174,440
Additions	-	18,941	-	-	18,941
At 31 March 2022	2,067,531	94,953	5,677	25,220	2,193,381
Depreciation and impairment					
At 1 April 2021	98,492	58,522	-	18,764	175,778
Depreciation charged in the year	12,405	5,915	465	1,291	20,076
At 31 March 2022	110,897	64,437	465	20,055	195,854
Carrying amount					
At 31 March 2022	1,956,634	30,516	5,212	5,165	1,997,527
At 31 March 2021	1,969,039	41,827	-	6,456	2,017,322

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	9,102	2,360
Other creditors	379	-
Accruals and deferred income	720	720
	10,201	3,080

11 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	1,997,527	-	1,997,527	2,017,322	-	2,017,322
Current assets/(liabilities)	111,225	-	111,225	50,324	7,287	57,611
	2,108,752	-	2,108,752	2,067,646	7,287	2,074,933

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Related party transactions

During the year, Mr Aizul Haque received a total of £3,100 from zakat funds which were distributed to the poor and needy. Mr Amanat Ali received a total of £3,100 from zakat funds for the Rehmat Trust for the distribution to the poor and needy. Sadat Trust in which Mr Syed Mumtaz Hussain is a Trustee received £3,100 from zakat funds for the distribution to the poor and needy. Mr M S Khan, General Secretary, received £2,000 from zakat distribution to the poor and needy.

ACTON MUSLIM WELFARE ASSOCIATION

England & Wales - Charity number 291264

Accounts

Charity Registration No. 291264

ACTON MUSLIM WELFARE ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

ACTON MUSLIM WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Amanat Ali Mr A G Farquhar Mr Syed Mumtaz Hussain
Charity number	291264
Principal address	2-5 Oldham Terrace Acton London W3 6LS
Independent examiner	Reddy Siddiqui LLP 183-189 The Vale Acton London W3 7RW

ACTON MUSLIM WELFARE ASSOCIATION

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ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual 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 [governing document], 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)" (effective 1 January 2019).

Objectives and activities

The principal activity of the charity during the year continued to be that of

- (I) The advancement of the Muslim religion.
- (II) The advancement of education in accordance with the tenets and doctrine of Islam.
- (III) The relief of such Muslims who are poor and needy.
- (IV) To advance any other charitable purpose for the benefit of Muslims in Acton.

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

Achievements and performance

The year was significantly impacted by the national lockdown brought about because of the Covid restrictions. This led to in various aspects the closure of the mosque to worship and pastoral activities, suspension of the school and even a significant limit on funeral activities at a time with Covid was causing much loss in the community. The mosque was able to open in line with other places of worship as conditions changed and was able to draw on its historical levels of reserves to allow to financial liquidity at a time when weekly and ongoing donations had dropped sharply. Since the end of the year and moving into this year conditions have improved significantly in both mosque activities and financial position. The management committee of AMWA is pleased with the progress made and expects to recover its reserves during the next financial year.

Financial review

During the year the charity continued to receive donations which will be used to fund its activities.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Mr Amanat Ali
Mr A G Farquhar
Mr Syed Mumtaz Hussain

ACTON MUSLIM WELFARE ASSOCIATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The Trustees report was approved by the Board of Trustees.



Mr A G Farquhar
Trustee

23 January 2022

ACTON MUSLIM WELFARE ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTON MUSLIM WELFARE ASSOCIATION

I report to the Trustees on my examination of the financial statements of Acton Muslim Welfare Association (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.


Reddy Siddiqui LLP

183-189 The Vale
Acton
London
W3 7RW

Dated: 23 January 2022

ACTON MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	Notes	2021	2021	2021	2020	2020
		£	£	£	£	£
Income from:						
Donations and legacies	3	71,561	20,631	92,192	134,060	187,000
Expenditure on:						
Charitable activities	4	127,380	22,063	149,443	128,836	192,013
Net expenditure for the year/ Net movement in funds						
		(55,819)	(1,432)	(57,251)	5,224	(10,237)
Fund balances at 1 April 2020		2,112,569	19,615	2,132,184	2,107,345	2,137,197
Fund balances at 31 March 2021						
		2,056,750	18,183	2,074,933	2,112,569	2,132,184

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

All income and expenditure derive from continuing activities.

ACTON MUSLIM WELFARE ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	9		2,017,322		2,037,533
Current assets					
Debtors		10,000		10,000	
Cash at bank and in hand		50,691		87,273	
		<u>60,691</u>		<u>97,273</u>	
Creditors: amounts falling due within one year	10	<u>(3,080)</u>		<u>(2,622)</u>	
Net current assets			57,611		94,651
Total assets less current liabilities			<u>2,074,933</u>		<u>2,132,184</u>
Income funds					
Restricted funds			18,183		19,615
Unrestricted funds			2,056,750		2,112,569
			<u>2,074,933</u>		<u>2,132,184</u>

The financial statements were approved by the Trustees on 23 January 2022


Mr A G Farquhar
Trustee


Mr Syed Muntaz Hussain
Trustee

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Acton Muslim Welfare Association is an unincorporated association.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). 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 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. 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 Income

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity including trustee expenses.

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	60% of the value over 100 years
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	20% reducing 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 the statement of financial activities.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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.

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	38,854	20,181	59,035	180,800
Government grants	32,707	-	32,707	-
Funeral donation	-	450	450	6,200
	<u>71,561</u>	<u>20,631</u>	<u>92,192</u>	<u>187,000</u>
For the year ended 31 March 2020	<u>134,060</u>	<u>52,940</u>		<u>187,000</u>

4 Charitable activities

	Zakat and Fitrana 2021	Funeral 2021	Total 2021	Total 2020
	£	£	£	£
Staff costs	68,979	-	68,979	52,551
Depreciation and impairment	21,222	-	21,222	22,897
Charitable expenditure	21,798	265	22,063	63,177
	<u>111,999</u>	<u>265</u>	<u>112,264</u>	<u>138,625</u>
Share of support costs (see note 5)	33,825	-	33,825	49,815
Share of governance costs (see note 5)	3,354	-	3,354	3,573
	<u>149,178</u>	<u>265</u>	<u>149,443</u>	<u>192,013</u>
Analysis by fund				
Unrestricted funds	127,380	-	127,380	128,836
Restricted funds	21,798	265	22,063	63,177
	<u>149,178</u>	<u>265</u>	<u>149,443</u>	<u>192,013</u>
For the year ended 31 March 2020				
Unrestricted funds	128,836	-		128,836
Restricted funds	59,700	3,477		63,177
	<u>188,536</u>	<u>3,477</u>		<u>192,013</u>

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Other staff costs	33,825	-	33,825	49,815	
Accountancy	-	3,354	3,354	1,374	Governance
Legal and professional	-	-	-	2,199	Governance
	<u>33,825</u>	<u>3,354</u>	<u>37,179</u>	<u>53,388</u>	
Analysed between Charitable activities	<u>33,825</u>	<u>3,354</u>	<u>37,179</u>	<u>53,388</u>	

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>3</u>	<u>3</u>
Employment costs	2021 £	2020 £
Wages and salaries	63,973	51,047
Social security costs	3,815	521
Other pension costs	1,191	983
	<u>68,979</u>	<u>52,551</u>

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

8 Taxation

The charity is exempt from tax on its charitable activities.

ACTON MUSLIM WELFARE ASSOCIATION

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

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020	2,067,531	99,339	25,220	2,192,090
Additions	-	1,010	-	1,010
At 31 March 2021	2,067,531	100,349	25,220	2,193,100
Depreciation and impairment				
At 1 April 2020	86,087	51,319	17,150	154,556
Depreciation charged in the year	12,405	7,203	1,614	21,222
At 31 March 2021	98,492	58,522	18,764	175,778
Carrying amount				
At 31 March 2021	1,969,039	41,827	6,456	2,017,322
At 31 March 2020	1,981,444	48,019	8,070	2,037,533

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	2,360	1,902
Accruals and deferred income	720	720
	3,080	2,622

11 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	2,017,322	-	2,017,322	2,037,533	-	2,037,533
Current assets/ (liabilities)	50,324	7,287	57,611	73,816	20,835	94,651
	2,067,646	7,287	2,074,933	2,111,349	20,835	2,132,184

ACTON MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Related party transactions

During the year, Mr Aizul Haque received a total of £2,000 from zakat funds which were distributed to the poor and needy. Mr Amanat Ali received a total of £2,000 from zakat funds for the Khidmat Foundation for the distribution to the poor and needy. Sadat Trust in which Mr Syed Mumtaz Hussain is a Trustee received £2,000 from zakat funds for the distribution to the poor and needy. Mr M S Khan, General Secretary, received £2,000 from zakat distribution to the poor and needy.