

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

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

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# ACTON MUSLIM WELFARE ASSOCIATION

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# ACTON MUSLIM WELFARE ASSOCIATION

## TRUSTEES REPORT

### FOR THE YEAR ENDED 31 MARCH 2024

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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***

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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

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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.

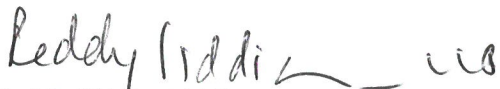
#### **Independent examiner's statement**

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

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	176,488	101,264	277,752	207,699	62,974	270,673
<b>Total income</b>		176,488	101,264	277,752	207,699	62,974	270,673
<b>Expenditure on:</b>							
Charitable activities	4	170,896	89,326	260,222	200,262	73,235	273,497
<b>Total expenditure</b>		170,896	89,326	260,222	200,262	73,235	273,497
<b>Net income/(expenditure) and movement in funds</b>		5,592	11,938	17,530	7,437	(10,261)	(2,824)
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2023		2,096,526	9,402	2,105,928	2,089,089	19,663	2,108,752
<b>Fund balances at 31 March 2024</b>		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 £	£
<b>Fixed assets</b>					
Tangible assets	9		1,989,015		2,011,756
<b>Current assets</b>					
Debtors	10	10,000		-	
Cash at bank and in hand		126,836		103,767	
		136,836		103,767	
<b>Creditors: amounts falling due within one year</b>	11	(2,393)		(9,595)	
<b>Net current assets</b>			134,443		94,172
<b>Total assets less current liabilities</b>			2,123,458		2,105,928
<b>The funds of the charity</b>					
Restricted income funds	13	21,340		9,402	
Unrestricted funds	14	2,102,118		2,096,526	
		2,123,458		2,105,928	

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

  
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 2024

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### 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>
<b>For the year ended 31 March 2023</b>	<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 £
<b>Direct costs</b>								
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>
<b>Share of support and governance costs (see note 5)</b>								
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>
<b>Analysis by fund</b>								
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>
<b>Employment costs</b>	<b>2024 £</b>	<b>2023 £</b>
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
	£	£	£	£	£
<b>Cost</b>					
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
<b>Depreciation and impairment</b>					
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
<b>Carrying amount</b>					
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 £
<b>Amounts falling due within one year:</b>		
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 £
<b>Defined contribution schemes</b>		
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>