

# MUSLIM CULTURAL AND WELFARE ASSOCIATION OF SUTTON

England & Wales · Charity number 291533

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1985-04-24

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

## Contact

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**Address** 80 Ruskin Road  
Carshalton  
SM5 3DH

**Phone** 02086698290

**Email** [email@mcwas.org](mailto:email@mcwas.org)

**Website** [www.mcwas.org](http://www.mcwas.org)

## Activities

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**Objects:** TO PROMOTE THE ISLAMIC RELIGION, TO ADVANCE PUBLIC EDUCATION IN ISLAMIC LITERATURE AND CULTURE AND TO PROMOTE ANY OTHER CHARITABLE PURPOSE FOR THE BENEFIT OF MUSLIMS RESIDENT IN THE LONDON BOROUGH OF SUTTON.

**Activities:** Islamic Arts and Crafts exhibitions, Christmas Parties, Daily 5 times Prayers, Holocaust Remembrance Event, Street Party, Children's Activities and Parties, Musical recitals and interfaith Meetings.

## Classification

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- **How:** Other Charitable Activities
- **What:** Religious Activities
- **Who:** Other Defined Groups

## Geography

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- **Area of benefit:** LONDON BOROUGH OF SUTTON
- Sutton

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£0	£3,326	-	-
2023-12-31	£0	£3,326	-	-
2022-12-31	£25,000	£15,178	-	-
2021-12-31	£30,150	£22,628	-	-
2020-12-31	£47,714	£18,805	-	-

## Trustees

Name	Role	Appointed
Dr MOHAMED RASHID MOOLA	Chair	
DR S M MOHIUD-DIN		

**MUSLIM CULTURAL AND WELFARE ASSOCIATION OF SUTTON**

England & Wales - Charity number 291533

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# Accounts

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Charity registration number: 291533

# Muslim Cultural & Welfare Association of Sutton

Annual Report and Financial Statements

for the Year Ended 31 December 2021

AS Partnership Ltd  
Chartered Certified Accountants  
158 Stafford Rd  
Wallington  
Surrey  
SM6 9BS

## Muslim Cultural & Welfare Association of Sutton

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**Muslim Cultural & Welfare Association of Sutton**

**Reference and Administrative Details**

**Trustees** Dr M R Moola, Chair  
Dr S M Mohiud-Din

**Principal Office** 80 Ruskin Road  
Carshalton  
Surrey  
SM5 3DH

**Charity Registration Number** 291533

**Independent Examiner** AS Partnership Ltd  
Chartered Certified Accountants  
158 Stafford Rd  
Wallington  
Surrey  
SM6 9BS

# Muslim Cultural & Welfare Association of Sutton

## Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2021.

### 1. Structure, governance and management

#### Governing document

MCWAS was first registered with the Charity Commission in 1981 under charity number 0291533. It is governed by a Constitution, the latest version of which held by the Charity Commission is dated February 1985.

#### Organisational structure

The Charity is run by two Trustees who are responsible for the general control and management of the Charity. The Trustees give their time freely and receive no remuneration or other financial benefits.

In 2019, the Charity began a process of organisational restructuring, which continued into 2020. Concerns had been raised by members of the community about a lack of transparency in decision making by the Board, about a lack of clear delineation between the roles of the Trustees and the Executive Committee/ Management Team, and about membership fees having risen to a prohibitive level.

In March 2020, an independent advisor had been contracted to provide support with restructuring of the Charity. The Consultant's recommendation was to restructure the charity to a new Charitable Incorporated Organisation (CIO), with a Board of three founding Trustees, new membership and elections to be held within three months of CIO incorporation which would add three new elected Trustees to the Board. An application to the Charity Commission to establish the CIO was accepted in August 2020 under the entity's new Constitution which was developed with both independent expertise and community consultation.

MCWAS is in the process of completing all financial and legal requirements with unwinding the legacy entity. Whilst transition is in progress as at financial year-end 31 December 2021, the process has yet completed.

## **Muslim Cultural & Welfare Association of Sutton**

### **Trustees' Report (continued)**

#### **Financial review**

The activities of the Charity were transferred to CIO from 12 August 2020, pending transfer of properties, novation of tenancy agreements and bank accounts. All donations received and operating expenses prior to 11 August 2020 are shown as that of the MCWAS legacy entity.

Amounts received and expended subsequently on behalf of CIO are shown as receivable and payable pending completion of transfer.

Investment income from rental properties to be transferred to CIO are shown for the year ended 31/12/21 as of legacy.

The accounts of the Charity show the net assets of MCWAS had increased by £7,522 to £1,755,874 (2020 £1,748,352) of which the freehold and leasehold properties are valued in the accounts at cost of £1,479,699 and believed to be worth in excess.

Gross income from donations and rental income from investment properties totalled £30,150 (2020 £47,714).

Total expenditure including support costs had totalled £22,628 (2020 £18,805).

No depreciation is provided on the Centre which is held on long lease with 117 years remaining. The adjacent investment properties are freehold. As the freehold properties are maintained it is considered that any provision for depreciation will be immaterial.

## Muslim Cultural & Welfare Association of Sutton

### Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 15 October 2022 and signed on its behalf by:



.....  
Dr M R Moola  
Trustee

## Muslim Cultural & Welfare Association of Sutton

### Independent Examiner's Report to the trustees of Muslim Cultural & Welfare Association of Sutton

I report to the trustees on my examination of the accounts of Muslim Cultural & Welfare Association of Sutton for the year ended 31 December 2021.

#### Responsibilities and basis of report

As the charity trustees of Muslim Cultural & Welfare Association of Sutton you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

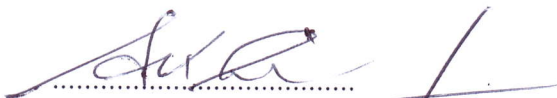
I report in respect of my examination of the Muslim Cultural & Welfare Association of Sutton's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material 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 Muslim Cultural & Welfare Association of Sutton as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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 accounts to be reached.



A K K Sharif FCCA

Member of Association of Chartered Certified Accountants

AS Partnership Ltd

Chartered Certified Accountants

158 Stafford Rd

Wallington

Surrey

SM6 9BS

15 October 2022

**Muslim Cultural & Welfare Association of Sutton**

**Statement of Financial Activities for the Year Ended 31 December 2021**

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Investment income	3	<u>30,150</u>	<u>30,150</u>
Total income		<u>30,150</u>	<u>30,150</u>
<b>Expenditure on:</b>			
Governance costs		3,163	3,163
Investment management costs		16,583	16,583
Depreciation, amortisation and other similar costs		<u>2,882</u>	<u>2,882</u>
Total expenditure		<u>22,628</u>	<u>22,628</u>
Net income		<u>7,522</u>	<u>7,522</u>
Net movement in funds		7,522	7,522
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>1,748,352</u>	<u>1,748,352</u>
Total funds carried forward	10	<u><u>1,755,874</u></u>	<u><u>1,755,874</u></u>

The notes on pages 9 to 14 form an integral part of these financial statements.

## Muslim Cultural & Welfare Association of Sutton

### Statement of Financial Activities for the Year Ended 31 December 2021 (continued)

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies		17,714	17,714
Investment income	3	30,000	30,000
Total income		47,714	47,714
<b>Expenditure on:</b>			
Faith & Worship		13,652	13,652
Community		90	90
Governance costs		3,263	3,263
Investment management costs		370	370
Depreciation, amortisation and other similar costs		1,430	1,430
Total expenditure		18,805	18,805
Net income		28,909	28,909
Net movement in funds		28,909	28,909
<b>Reconciliation of funds</b>			
Total funds brought forward		1,719,443	1,719,443
Total funds carried forward	10	1,748,352	1,748,352

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2020 is shown in note 10.

The notes on pages 9 to 14 form an integral part of these financial statements.

**Muslim Cultural & Welfare Association of Sutton**

(Registration number: 291533)  
**Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	7	1,491,227	1,492,573
<b>Current assets</b>			
Debtors	8	83,898	24,715
Cash at bank and in hand		<u>307,561</u>	<u>252,702</u>
		391,459	277,417
<b>Creditors: Amounts falling due within one year</b>	9	<u>(126,812)</u>	<u>(21,638)</u>
<b>Net current assets</b>		<u>264,647</u>	<u>255,779</u>
<b>Net assets</b>		<u>1,755,874</u>	<u>1,748,352</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,755,874</u>	<u>1,748,352</u>
<b>Total funds</b>	10	<u>1,755,874</u>	<u>1,748,352</u>

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 15 October 2022 and signed on their behalf by:

The notes on pages 9 to 14 form an integral part of these financial statements.

## **Muslim Cultural & Welfare Association of Sutton**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

Muslim Cultural & Welfare Association of Sutton meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures, fittings and equipment	20% reducing balance

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

## 2 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
<b>Total for 2021</b>	-	-
<b>Total for 2020</b>	17,714	17,714

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

#### 3 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Interest receivable and similar income;		
Interest receivable on bank deposits	150	150
Income from rents	<u>30,000</u>	<u>30,000</u>
<b>Total for 2021</b>	<u><u>30,150</u></u>	<u><u>30,150</u></u>
<b>Total for 2020</b>	<u><u>30,000</u></u>	<u><u>30,000</u></u>

#### 4 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### 5 Independent examiner's remuneration

	<b>2021 £</b>	<b>2020 £</b>
<b>Other fees to examiners</b>		
All other assurance services	<u>300</u>	<u>300</u>

#### 6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

**Muslim Cultural & Welfare Association of Sutton**

**Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

**7 Tangible fixed assets**

	<b>Land and buildings £</b>	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2021	1,479,699	23,176	1,502,875
Additions	-	1,536	1,536
At 31 December 2021	<u>1,479,699</u>	<u>24,712</u>	<u>1,504,411</u>
<b>Depreciation</b>			
At 1 January 2021	-	10,302	10,302
Charge for the year	-	2,882	2,882
At 31 December 2021	<u>-</u>	<u>13,184</u>	<u>13,184</u>
<b>Net book value</b>			
At 31 December 2021	<u>1,479,699</u>	<u>11,528</u>	<u>1,491,227</u>
At 31 December 2020	<u>1,479,699</u>	<u>12,874</u>	<u>1,492,573</u>

Included within the net book value of land and buildings above is £785,611 (2020 - £785,611) in respect of freehold land and buildings and £694,088 (2020 - £694,088) in respect of leaseholds.

**Muslim Cultural & Welfare Association of Sutton**

**Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)**

**8 Debtors**

	2021 £	2020 £
Prepayments	-	368
Gift aid reclaimable	-	2,483
Rents Receivable (net of provisions)	1,150	1,150
Expenditure due from CIO	78,001	14,374
Due from Online Giving Platforms	4,747	6,340
	<u>83,898</u>	<u>24,715</u>

**9 Creditors: amounts falling due within one year**

	2021 £	2020 £
Other creditors	1,300	1,300
Receipts due to CIO	123,284	18,764
Accruals	2,228	1,574
	<u>126,812</u>	<u>21,638</u>

**10 Funds**

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General	<u>1,748,352</u>	<u>30,150</u>	<u>(22,628)</u>	<u>1,755,874</u>
	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>				
General	<u>1,719,443</u>	<u>47,714</u>	<u>(18,805)</u>	<u>1,748,352</u>

## Muslim Cultural & Welfare Association of Sutton

### Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	-	17,714
Investment income (analysed below)	30,150	30,000
	<u>30,150</u>	<u>30,000</u>
Total income	<u>30,150</u>	<u>47,714</u>
<b>Expenditure on:</b>		
Faith & Worship (analysed below)	-	13,652
Community (analysed below)	-	90
Governance costs (analysed below)	3,163	3,263
Investment management costs (analysed below)	16,583	370
Depreciation, amortisation and other similar costs (analysed below)	2,882	1,430
	<u>22,628</u>	<u>18,805</u>
Total expenditure	<u>22,628</u>	<u>18,805</u>
Net income	<u>7,522</u>	<u>28,909</u>
Net movement in funds	7,522	28,909
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>1,748,352</u>	<u>1,719,443</u>
Total funds carried forward	<u><u>1,755,874</u></u>	<u><u>1,748,352</u></u>

This page does not form part of the statutory financial statements.

**Muslim Cultural & Welfare Association of Sutton**

**Detailed Statement of Financial Activities for the Year Ended 31 December 2021  
(continued)**

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
General donations	-	16,927
Other	-	787
	-	17,714
<i>Investment income</i>		
Rental Income from investment properties	30,000	30,000
Interest on cash deposits	150	-
	30,150	30,000
<i>Faith &amp; Worship</i>		
<i>Direct</i>		
Ramadan costs	-	1,000
Calender costs	-	715
Wages and salaries	-	1,000
Subcontractor costs	-	557
	-	3,272
<i>Support</i>		
<i>Premises: 80 &amp; 80A Ruskin Road</i>		
Water rates	-	671
Rent and rates	-	5,181
Light, heat and power	-	3,157
Repairs and maintenance	-	318
	-	9,327
<i>General</i>		
Cleaning	-	400
Telephone and fax	-	653
	-	1,053
	-	13,652

This page does not form part of the statutory financial statements.

**Muslim Cultural & Welfare Association of Sutton**

**Detailed Statement of Financial Activities for the Year Ended 31 December 2021  
(continued)**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<i><b>Community</b></i>		
Donations to other charities	-	90
	-	90
	-	90
<i><b>Governance</b></i>		
Accountancy fees	1,928	1,274
Independent examiner's fee	300	300
Legal and professional fees	935	1,187
Bank charges	-	502
	3,163	3,263
	3,163	3,263
<i><b>Investment Management</b></i>		
Insurance	738	370
Repairs and maintenance	15,845	-
	16,583	370
	16,583	370
<i><b>Other</b></i>		
Depreciation of fixtures and fittings	2,882	1,430
	2,882	1,430

This page does not form part of the statutory financial statements.

**MUSLIM CULTURAL AND WELFARE ASSOCIATION OF SUTTON**

England & Wales - Charity number 291533

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# Accounts

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Charity registration number: 291533

# Muslim Cultural & Welfare Association of Sutton

Annual Report and Financial Statements

for the Year Ended 31 December 2020

AS Partnership Ltd  
Chartered Certified Accountants  
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**Muslim Cultural & Welfare Association of Sutton**

**Reference and Administrative Details**

**Trustees** Dr M R Moola, Chair

Dr S M Mohiud-Din

**Principal Office** 80 Ruskin Road  
Carshalton  
Surrey  
SM5 3DH

**Charity Registration Number** 291533

**Independent Examiner** AS Partnership Ltd  
Chartered Certified Accountants  
158 Stafford Rd  
Wallington  
Surrey  
SM6 9BS

# **Muslim Cultural & Welfare Association of Sutton**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts on pages 12-18 and comply with the charity's governing document, the Charities Act 2011 and Statement of Recommended Practice (SORP) as applicable to Charities.

### **1. Structure, governance and management**

#### **Governing document**

MCWAS was first registered with the Charity Commission in 1981 under charity number 0291533. It is governed by a Constitution, the latest version of which held by the Charity Commission is dated February 1985.

#### **Organisational structure**

The Charity is run by three Trustees who are responsible for the general control and management of the charity. The Trustees give their time freely and receive no remuneration or other financial benefits. They delegate the day-to-day running of the Centre to the "Executive Committee/ Management Team", who act under the instructions and the oversight of the Trustees. The Committee meets regularly with the Trustees in attendance to discuss decisions on the management of the Centre.

In 2019, the Charity began a process of organisational restructuring, which continued into 2020. Concerns had been raised by members of the community about a lack of transparency in decision-making by the Board, about a lack of clear delineation between the roles of the Trustees and the Executive Committee/ Management Team and about membership fees having risen to a prohibitive level.

In March 2020 one of the Charity's three trustees, Mr Zakariyya Sheikh passed away from Covid 19 during a period in which an independent advisor had been contracted to provide support with restructuring of the Charity. The Consultant's recommendation was to restructure the charity to a new Charitable Incorporated Organisation (CIO), with a Board of three founding Trustees, new membership and elections to be held within three months of CIO incorporation which would add three new elected Trustees to the Board. An application to the Charity Commission to establish the CIO was accepted in August 2020 under the entity's new constitution which was developed with both independent expertise and community consultation.

# Muslim Cultural & Welfare Association of Sutton

## Trustees' Report

MCWAS is in the process of completing all financial and legal requirements with unwinding the old entity. Whilst transition is in progress as at financial year-end 31 December 2020, the process has not yet completed.

### Objectives and activities

#### Our aims

The objects of the charity are set out in the Charity's constitution namely:

- to promote the Islamic religion
- to advance public education in Islamic literature and culture
- to promote any other charitable purpose for the benefit of Muslims resident in the London Borough of Sutton

### 2. Activities and achievements - how our activities deliver public benefit

The Charity carries out a wide range of activities in pursuance of its charitable aims. The Trustees consider that these activities, summarised below, provide benefit both to those who worship at our Mosque and the wider community.

#### Religious activities

Our Centre provides a space for prayer, worship and for the activities associated with our faith. The Centre was mainly closed in 2020 in line with government guidelines and restrictions due to the Covid 19 pandemic, however where it was open during parts of the year in review we offered a range of religious services and activities including:

**Prayers:** The Centre was open for daily and Friday congregational prayers and private worship. During the week we had over 50 people who regularly attended daily prayers and over 300 who regularly attended Friday prayers.

**Festivals:** Unfortunately, due to the pandemic the community were not able to attend the Centre during the month of Ramadan or for the two celebrated Eids in the year.

**Civil marriage and Nikkah:** The Centre provides Muslim couples with an appropriate location for both their civil marriage and Nikkah (Islamic marriage). One of the Trustees is an official Registrar for Marriages with Sutton Council. However due to the pandemic religious wedding ceremonies were not conducted in the Centre in 2020.

## Muslim Cultural & Welfare Association of Sutton

### Trustees' Report

**Hifz classes:** Memorisation of the Qur'an is considered an important element of religious education and training. This is usually run as a Saturday morning club for several committed children and their parents during the year but was halted during the early months of the pandemic.

**Religious Talks:** Only a few Islamic educational talks were conducted before the start of the pandemic in March 2020.

#### Community activities

Our community hall provides a valuable educational and recreational resource to all in our local community. A wide variety of activities are organised and take place from our Centre.

**Hall hire:** Our hall is used by members of the community wishing to hold gatherings for small private functions e.g. celebrations of new baby arrival (Aqeeqah), community meals and memorial gatherings.

**Youth club:** Activities were held at the beginning of the year before the start of the pandemic in March 2020 and also included:

**Chillout Friday Girls & Chillout Friday Boys:** A specific tailor made youth programme for our teenage boys and girls to meet with a wide range of social activities for them to engage with. Snacks, refreshments and food is served with a reminder at the end.

**Chillout Friday Online (due to lockdown):** We wanted to increase the morale of our youth while they were in lockdown and give them a sense of meaning and perspective with the current pandemic.

**The Best Generation - Sat 11th July 2020 with Dr Saalim:** With our Mosque doors still closed we held an online interactive family quiz powered by mentimeter. We had a total of £200 worth of donated vouchers for first, second and third prize, with a short lecture by Shaykh Saalim on the topic of the Sahabah (Companions).

**Mosque Open Day:** We usually hold an annual Open Day which allows local residents to come and visit the Centre to meet members of the Muslim community, learn about Islam, and enjoy activities such as henna art and taste food from around the Muslim world. In total, over 300 people attended the event in 2019 but due to the pandemic we were not able to hold the event in 2020.

**Liaison with Police:** We regularly welcome local police to events and congregational prayers at the Centre. Our annual T-20 Cricket match with Met Police Sutton did not take place this year due to Covid.

## Muslim Cultural & Welfare Association of Sutton

### Trustees' Report

**Inter-faith dialogue:** Our Imam and some members of our community took part in visits and discussions with local church leaders in their churches.

**School visits:** The Centre usually hosts educational primary school visits from local schools where children are able to experience aspects of Muslim life, take part in a quiz about Islam and dress up in traditional dress. School visits were largely placed on hold in 2020.

Other online learning activities and events held in 2020 included, 'End of life decisions for Muslims' with Shaykh Suliman Ghani & Dr Zulfiqar Ahmed, a cancer screening session and online Jumu'ah (Friday) reminders. Additionally, in August 2020 we were invited to the Act of Remembrance and Thanksgiving for Peace event to commemorate VJ Day in Manor Park. This was organised by Sutton New Town Community Festival in partnership with Manor Park Friends Group. The event was attended by various council officers, community groups, police and Madam Mayor and Madam Deputy Mayor of Sutton.

#### Financial review

Activities of charity were transferred to CIO from 12th August 2020, pending transfer of properties, novation of tenancy agreements and bank accounts. All donations received and operating expenses to 11th August 2020 are shown as that of the MCWAS (legacy).

Amounts received and expended subsequently on behalf of CIO are shown as receivable and payable pending completion of transfer.

Investment income from rental properties to be transferred to CIO are shown for the year ended 31/12/20 as of legacy.

The accounts of the charity show the net assets of MCWAS had increased by £28,909 (2019 £88,352) to £1,748,352 of which the freehold and leasehold properties are valued in the accounts at cost of £1,479,699 and believed to be worth in excess.

Gross income from donations and rental income from investment properties totalled £47,714 (2019 £158,434).

Total expenditure including support costs had totalled £18,805 (2019 £70,082).

No depreciation is provided on the Mosque and Community Centre Building which is held on long lease of 118 years remaining and adjacent investment properties are freehold. As the properties are maintained, it is considered any provision for depreciation will be immaterial.

## Muslim Cultural & Welfare Association of Sutton

### Trustees' Report

The Trustees for the purposes of charity law who served during the year and up to the date of this report are set out below

Trustees:

Dr Mohamed Rashid Moola

Dr Syed Mohiud-Din

The annual report was approved by the trustees of the charity on 17 December 2021 and signed on its behalf by:



Dr M R Moola  
Trustee

## Muslim Cultural & Welfare Association of Sutton

### Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 17 December 2021 and signed on its behalf by:



Dr M R Moola  
Trustee

## Muslim Cultural & Welfare Association of Sutton

### Independent Examiner's Report to the trustees of Muslim Cultural & Welfare Association of Sutton

I report to the trustees on my examination of the accounts of Muslim Cultural & Welfare Association of Sutton for the year ended 31 December 2020.

#### Responsibilities and basis of report

As the charity trustees of Muslim Cultural & Welfare Association of Sutton you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Muslim Cultural & Welfare Association of Sutton's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material 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 Muslim Cultural & Welfare Association of Sutton as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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 accounts to be reached.

  
A K K Sharif FCCA

Member of Association of Chartered Certified Accountants  
AS Partnership Ltd  
Chartered Certified Accountants  
158 Stafford Rd  
Wallington  
Surrey  
SM6 9BS

17 December 2021

**Muslim Cultural & Welfare Association of Sutton**

**Statement of Financial Activities for the Year Ended 31 December 2020**

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies		17,714	17,714
Investment income	3	30,000	30,000
Total income		47,714	47,714
<b>Expenditure on:</b>			
Faith & Worship		13,652	13,652
Community		90	90
Governance costs		3,263	3,263
Investment management costs		370	370
Depreciation, amortisation and other similar costs		1,430	1,430
Total expenditure		18,805	18,805
Net income		28,909	28,909
Net movement in funds		28,909	28,909
<b>Reconciliation of funds</b>			
Total funds brought forward		1,719,443	1,719,443
Total funds carried forward	12	1,748,352	1,748,352

The notes on pages 12 to 18 form an integral part of these financial statements.

**Muslim Cultural & Welfare Association of Sutton**

**Statement of Financial Activities for the Year Ended 31 December 2020**

	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Donations and legacies		125,037	125,037
Investment income	3	29,812	29,812
Other income		3,585	3,585
Total income		<u>158,434</u>	<u>158,434</u>
<b>Expenditure on:</b>			
Faith & Worship		40,170	40,170
Community		16,059	16,059
Governance costs		3,686	3,686
Investment management costs		8,578	8,578
Depreciation, amortisation and other similar costs		1,589	1,589
Total expenditure		<u>70,082</u>	<u>70,082</u>
Net income		<u>88,352</u>	<u>88,352</u>
Net movement in funds		88,352	88,352
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>1,631,091</u>	<u>1,631,091</u>
Total funds carried forward	12	<u><u>1,719,443</u></u>	<u><u>1,719,443</u></u>

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2019 is shown in note 12.

The notes on pages 12 to 18 form an integral part of these financial statements.

Muslim Cultural & Welfare Association of Sutton

(Registration number: 291533)  
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	8	1,492,573	1,494,004
<b>Current assets</b>			
Debtors	9	24,715	3,633
Cash at bank and in hand	10	252,702	228,810
		<u>277,417</u>	<u>232,443</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(21,638)</u>	<u>(7,004)</u>
<b>Net current assets</b>		<u>255,779</u>	<u>225,439</u>
<b>Net assets</b>		<u>1,748,352</u>	<u>1,719,443</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,748,352</u>	<u>1,719,443</u>
<b>Total funds</b>	12	<u>1,748,352</u>	<u>1,719,443</u>

The financial statements on pages 9 to 18 were approved by the trustees, and authorised for issue on 17 December 2021 and signed on their behalf by:



.....  
Dr M R Moola  
Trustee

The notes on pages 12 to 18 form an integral part of these financial statements.

## **Muslim Cultural & Welfare Association of Sutton**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

Muslim Cultural & Welfare Association of Sutton meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	10% reducing balance

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

## 2 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Regular giving and capital donations	17,714	17,714
<b>Total for 2020</b>	<u>17,714</u>	<u>17,714</u>
<b>Total for 2019</b>	<u>125,037</u>	<u>125,037</u>

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 3 Investment income

	Unrestricted funds General £	Total funds £
Income from rents	30,000	30,000
<b>Total for 2020</b>	<u>30,000</u>	<u>30,000</u>
<b>Total for 2019</b>	<u>29,812</u>	<u>29,812</u>

#### 4 Other income

	Unrestricted funds General £	Total funds £
<b>Total for 2020</b>	<u>-</u>	<u>-</u>
<b>Total for 2019</b>	<u>3,585</u>	<u>3,585</u>

#### 5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### 6 Independent examiner's remuneration

	2020 £	2019 £
<b>Other fees to examiners</b>		
All other assurance services	<u>300</u>	<u>300</u>

## Muslim Cultural & Welfare Association of Sutton

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 8 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2020	<u>1,479,699</u>	<u>23,176</u>	<u>1,502,875</u>
At 31 December 2020	<u>1,479,699</u>	<u>23,176</u>	<u>1,502,875</u>
<b>Depreciation</b>			
At 1 January 2020	-	8,871	8,871
Charge for the year	-	<u>1,431</u>	<u>1,431</u>
At 31 December 2020	-	<u>10,302</u>	<u>10,302</u>
<b>Net book value</b>			
At 31 December 2020	<u>1,479,699</u>	<u>12,874</u>	<u>1,492,573</u>
At 31 December 2019	<u>1,479,699</u>	<u>14,305</u>	<u>1,494,004</u>

Included within the net book value of land and buildings above is £785,611 (2019 - £785,611) in respect of freehold land and buildings and £694,088 (2019 - £694,088) in respect of leaseholds.

**Muslim Cultural & Welfare Association of Sutton**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**9 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Prepayments	368	-
Gift aid reclaimable	2,483	2,483
Rents Receivable (net of provisions)	1,150	1,150
Expenditure due from CIO	14,374	-
Due from Online Giving Platforms	6,340	-
	<u>24,715</u>	<u>3,633</u>

**10 Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank	<u>252,702</u>	<u>228,810</u>

**11 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	1,300	1,300
Receipts due to CIO	18,764	-
Accruals	1,574	5,704
	<u>21,638</u>	<u>7,004</u>

**12 Funds**

	<b>Balance at 1 January 2020</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 31 December 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General	<u>1,719,443</u>	<u>47,714</u>	<u>(18,805)</u>	<u>1,748,352</u>

Muslim Cultural & Welfare Association of Sutton

Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>				
General	<u>1,631,091</u>	<u>158,434</u>	<u>(70,082)</u>	<u>1,719,443</u>

**Muslim Cultural & Welfare Association of Sutton**

**Detailed Statement of Financial Activities for the Year Ended 31 December 2020**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	17,714	125,037
Investment income (analysed below)	30,000	29,812
Other income (analysed below)	-	3,585
	<u>47,714</u>	<u>158,434</u>
<b>Expenditure on:</b>		
Faith & Worship (analysed below)	13,652	40,170
Community (analysed below)	90	16,059
Governance costs (analysed below)	3,263	3,686
Investment management costs (analysed below)	370	8,578
Depreciation, amortisation and other similar costs (analysed below)	1,430	1,589
	<u>18,805</u>	<u>70,082</u>
Total expenditure	<u>18,805</u>	<u>70,082</u>
Net income	<u>28,909</u>	<u>88,352</u>
Net movement in funds	28,909	88,352
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>1,719,443</u>	<u>1,631,091</u>
Total funds carried forward	<u>1,748,352</u>	<u>1,719,443</u>

This page does not form part of the statutory financial statements.

**Muslim Cultural & Welfare Association of Sutton**

**Detailed Statement of Financial Activities for the Year Ended 31 December 2020**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<i><b>Donations and legacies</b></i>		
General donations	16,927	124,885
Other	787	152
	17,714	125,037
<i><b>Investment income</b></i>		
Rental Income from investment properties	30,000	29,750
Interest on cash deposits	-	62
	30,000	29,812
<i><b>Other income</b></i>		
Tuition Fees	-	2,310
Hall Hire	-	1,275
	-	3,585
<i><b>Faith &amp; Worship</b></i>		
<i>Direct</i>		
Ramadan costs	1,000	-
Calender costs	715	-
Wages and salaries	1,000	4,700
Subcontractor costs	557	2,687
Subcontractor - security	-	780
	3,272	8,167
<i>Support</i>		
<i>Premises: 80 &amp; 80A Ruskin Road</i>		
Water rates	671	536
Rent and rates	5,181	6,096
Light, heat and power	3,157	8,806
Insurance	-	1,468
Repairs and maintenance	318	7,500
	9,327	24,406

This page does not form part of the statutory financial statements.

**Muslim Cultural & Welfare Association of Sutton**

**Detailed Statement of Financial Activities for the Year Ended 31 December 2020**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<i>General</i>		
Computer software and maintenance costs	-	300
Cleaning	400	3,118
Equipment repairs and renewals	-	3,301
Telephone and fax	653	873
Printing, postage and stationery	-	5
	1,053	7,597
	13,652	40,170
<i>Community</i>		
Open Day costs	-	1,410
Zakat & Firthra	-	11,795
Donations to other charities	90	1,520
Iftar Catering	-	1,334
	90	16,059
	90	16,059
<i>Governance</i>		
Accountancy fees	1,274	1,261
Independent examiner's fee	300	300
Legal and professional fees	1,187	1,566
Subscriptions & fees	-	35
Bank charges	502	524
	3,263	3,686
	3,263	3,686
<i>Investment Management</i>		
Insurance	370	731
Repairs and maintenance	-	7,847
	370	8,578
	370	8,578
<i>Other</i>		
Depreciation of fixtures and fittings	1,430	1,589
	1,430	1,589

This page does not form part of the statutory financial statements.