

CHARITY REGISTRATION NUMBER: 272500

The Mosque and Islamic Centre of Brent
Unaudited Financial Statements
30 September 2019

KBM UK LTD
Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

The Mosque and Islamic Centre of Brent

Financial Statements

Year ended 30 September 2019

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	4
Statement of financial activities	5
Statement of financial position	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed statement of financial activities	16
Notes to the detailed statement of financial activities	17

The Mosque and Islamic Centre of Brent

Trustees' Annual Report

Year ended 30 September 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2019.

Reference and administrative details

Registered charity name	The Mosque and Islamic Centre of Brent
Charity registration number	272500
Principal office	33 A Howard Road Cricklewood NW2 6DS London

The trustees

Mr Mohammed Sadeeq (Chair)
Mr Mohammed Hussain
Mr Mohammed Hukumdad-UI-
Qadri
Mr Majed Ismail Chaudry
Mr. Basharat Aslam
Mr. Mohammed Najib Khan

Independent examiner	KBM UK LTD Certified Chartered Accountants 1 Concord Business Centre Concord Road London UK W3 0TJ
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Structure, governance and management

There were no changes in any structure, governance and management for the period ended 30 September 2019.

Objectives and activities

The Charity's activities during the year are described in detail below:

Income from the various sources was £276,125 in 2019 as compared to £289,658 in 2018. In this amount £24,516 relates to restricted funds and £251,609 to unrestricted funds.

The unrestricted funds expenditure for 2019 was £223,792 as compared to £170,227 in 2018. The restricted fund expenditure amounted to £32,150 in 2019 as compared to £17,834 in 2018.

The primary assets of the charity continued to be its freehold buildings which include the Mosque and the Flats.

The Mosque and Islamic Centre of Brent

Trustees' Annual Report *(continued)*

Year ended 30 September 2019

Financial review

Designated Funds:

The Charity does not have any designated funds.

Discounted, Continuing and Acquired Operations:

All the charity's operations are continuing and there are no operations that were discontinued or acquired during the year.

Funds in deficit:

No funds (unrestricted, designated, restricted or endowment) are in deficit at the balance sheet date.

Funds in surplus:

There was an operating surplus of £20,183. The restricted funds are in surplus by £299,187 and the unrestricted funds are in surplus by £2,060,464.

Inter-funds Loan:

There were no inter-fund loans outstanding at the balance sheet date.

Revaluations:

None of the charity's functional fixed assets have been revalued during the year and the charity does not have a policy of revaluation of these assets.

Plans for future periods

The charity is still expanding their investment in property to generate more stable income to support the charitable activities and donate towards good causes for people in need. The charity would also focus on the collection of funds to contribute towards the floods and earthquakes victims all over the world.

The Mosque and Islamic Centre of Brent

Trustees' Annual Report *(continued)*

Year ended 30 September 2019

Plans for future periods *(continued)*

RESPONSIBILITIES OF THE TRUSTEES

The charity's trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 1993 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 30 July 2020 and signed on behalf of the board of trustees by:



Mr Mohammed Sadeeq (Chair)
Trustee

The Mosque and Islamic Centre of Brent

Independent Examiner's Report to the Trustees of The Mosque and Islamic Centre of Brent

Year ended 30 September 2019

I report to the trustees on my examination of the financial statements of The Mosque and Islamic Centre of Brent ('the charity') for the year ended 30 September 2019.

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 Act').

I report in respect of my examination of the charity's financial statements 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

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 the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 the charity as required by section 130 of the 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 accounts to be reached.


KBM UK LTD
Certified Chartered Accountants
Independent Examiner

30/7/20

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

The Mosque and Islamic Centre of Brent

Statement of Financial Activities

Year ended 30 September 2019

		2019	2018		
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	82,343	24,516	106,859	102,532
Investment income	5	23	—	23	26
Other income	6	169,243	—	169,243	187,100
Total income		<u>251,609</u>	<u>24,516</u>	<u>276,125</u>	<u>289,658</u>
Expenditure					
Expenditure on charitable activities	7,8	223,792	32,150	255,943	188,061
Total expenditure		<u>223,792</u>	<u>32,150</u>	<u>255,943</u>	<u>188,061</u>
Net income and net movement in funds		<u>27,817</u>	<u>(7,634)</u>	<u>20,182</u>	<u>101,597</u>
Reconciliation of funds					
Total funds brought forward		<u>2,032,647</u>	<u>306,821</u>	<u>2,339,468</u>	<u>2,237,871</u>
Total funds carried forward		<u>2,060,464</u>	<u>299,187</u>	<u>2,359,651</u>	<u>2,339,468</u>

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

The notes on pages 7 to 14 form part of these financial statements.

The Mosque and Islamic Centre of Brent

Statement of Financial Position

30 September 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	13	2,297,591	2,283,152
Current assets			
Debtors	14	36,347	7,659
Cash at bank and in hand		200,112	244,034
		<u>236,459</u>	<u>251,693</u>
Creditors: amounts falling due within one year	15	<u>2,400</u>	<u>5,012</u>
Net current assets		234,059	246,681
Total assets less current liabilities		2,531,650	2,529,833
Creditors: amounts falling due after more than one year	16	<u>172,000</u>	<u>190,365</u>
Net assets		<u>2,359,650</u>	<u>2,339,468</u>
Funds of the charity			
Restricted funds		299,187	306,821
Unrestricted funds		<u>2,060,464</u>	<u>2,032,647</u>
Total charity funds	17	<u>2,359,651</u>	<u>2,339,468</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 July 2020, and are signed on behalf of the board by:



Mr Mohammed Sadeeq (Chair)
Trustee

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements

Year ended 30 September 2019

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 33A Howard Road, Cricklewood, NW2 6DS, London.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixture & Fittings	- 10% straight line
Equipment	- 10% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations - Friday Collections	82,343	—	82,343
Donations - Zakat Fund	—	24,516	24,516
	<u>82,343</u>	<u>24,516</u>	<u>106,859</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations - Friday Collections	85,784	—	85,784
Donations - Zakat Fund	—	16,748	16,748
	<u>85,784</u>	<u>16,748</u>	<u>102,532</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest receivable	<u>23</u>	<u>23</u>	<u>26</u>	<u>26</u>

6. Other income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Other income - Rental Income	161,285	161,285	187,100	187,100
Other income - Arabic Classes	7,958	7,958	—	—
	<u>169,243</u>	<u>169,243</u>	<u>187,100</u>	<u>187,100</u>

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements (continued)

Year ended 30 September 2019

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Charitable Activities	60,881	32,150	93,031
Support costs	162,911	–	162,912
	<u>223,792</u>	<u>32,150</u>	<u>255,943</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Charitable Activities	44,441	17,834	62,275
Support costs	125,786	–	125,786
	<u>170,227</u>	<u>17,834</u>	<u>188,061</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2019	Total fund 2018
	£	£	£	£
Charitable Activities	93,031	87,904	180,935	138,068
Governance costs	–	75,008	75,008	49,993
	<u>93,031</u>	<u>162,912</u>	<u>255,943</u>	<u>188,061</u>

9. Net income

Net income is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	<u>6,613</u>	<u>5,010</u>

10. Independent examination fees

	2019	2018
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,200	1,200
Other financial services	1,440	1,440
	<u>2,640</u>	<u>2,640</u>

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	<u>48,796</u>	<u>30,660</u>

The average head count of employees during the year was 10 (2018: 10).

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

11. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

12. Trustee remuneration and expenses

The Trustees received no remuneration or expenses for acting as trustees. During the year the total of expense reimbursed to the trustees, incurred in the course of acting as members of the charity, amounted to £Nil.

13. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	User defined asset £	Total £
Cost					
At 1 October 2018	1,588,982	202,013	115,008	649,087	2,555,090
Additions	—	6,029	15,023	—	21,052
At 30 September 2019	1,588,982	208,042	130,031	649,087	2,576,142
Depreciation					
At 1 October 2018	—	164,526	107,412	—	271,938
Charge for the year	—	4,352	2,261	—	6,613
At 30 September 2019	—	168,878	109,673	—	278,551
Carrying amount					
At 30 September 2019	1,588,982	39,164	20,358	649,087	2,297,591
At 30 September 2018	1,588,982	37,487	7,596	649,087	2,283,152

14. Debtors

	2019 £	2018 £
Trade debtors	1,290	—
Other debtors	35,057	7,659
	36,347	7,659

The other debtors include £25,000 owed from Watford Muslim Youth Centre. There was no interest payable on this amount and is payable within 1 year from 10/05/2019 provided there are funds available.

15. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	2,400	5,012

16. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	172,000	190,365

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

17. Analysis of charitable funds

Unrestricted funds

	At 1 October 2018	Income £	Expenditure £	At 30 September 2019 £
General funds	2,032,647	251,609	(223,792)	2,060,464

	At 1 October 2017	Income £	Expenditure £	At 30 September 2018 £
General funds	1,929,964	272,910	(170,227)	2,032,647

Restricted funds

	At 1 October 2018	Income £	Expenditure £	At 30 September 2019 £
Restricted Fund	306,821	24,516	(32,150)	299,187

	At 1 October 2017	Income £	Expenditure £	At 30 September 2018 £
Restricted Fund	307,907	16,748	(17,834)	306,821

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	1,975,245	322,346	2,297,591
Current assets	236,459	–	236,459
Creditors less than 1 year	(2,400)	–	(2,400)
Creditors greater than 1 year	(172,000)	–	(172,000)
Net assets	2,037,304	322,346	2,359,650

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	1,975,245	307,907	2,283,152
Current assets	251,693	–	251,693
Creditors less than 1 year	(5,012)	–	(5,012)
Creditors greater than 1 year	(190,365)	–	(190,365)
Net assets	2,031,561	307,907	2,339,468

The Mosque and Islamic Centre of Brent

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>236,459</u>	<u>251,693</u>
Financial liabilities measured at fair value through income and expenditure		
Financial liabilities measured at fair value through income and expenditure	<u>2,400</u>	<u>5,012</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>234,059</u>	<u>246,681</u>

The Mosque and Islamic Centre of Brent

Management Information

Year ended 30 September 2019

The following pages do not form part of the financial statements.

The Mosque and Islamic Centre of Brent

Detailed Statement of Financial Activities

Year ended 30 September 2019

	2019 £	2018 £
Income and endowments		
Donations and legacies		
Donations - Friday Collections	82,343	85,784
Donations - Zakat Fund	24,516	16,748
	<u>106,859</u>	<u>102,532</u>
Investment income		
Bank interest receivable	23	26
Other income		
Other income - Rental Income	161,285	187,100
Other income - Arabic Classes	7,958	—
	<u>169,243</u>	<u>187,100</u>
Total income	<u>276,125</u>	<u>289,658</u>
Expenditure		
Expenditure on charitable activities		
Purchases	6,818	7,043
Wages and salaries	48,796	30,660
Rent	93,031	62,275
Rates and water	8,549	10,854
Light and heat	28,828	13,268
Repairs and maintenance	15,563	13,303
Insurance	4,997	5,163
Other motor/travel costs	—	120
Legal and professional fees	19,597	14,324
Telephone	799	761
Other office costs	12,263	14,933
Depreciation	6,615	5,009
Bank Charges & Loan Interest	10,087	10,348
	<u>255,943</u>	<u>188,061</u>
Total expenditure	<u>255,943</u>	<u>188,061</u>
Net income	<u>20,182</u>	<u>101,597</u>

The Mosque and Islamic Centre of Brent
Notes to the Detailed Statement of Financial Activities
Year ended 30 September 2019

	2019 £	2018 £
Expenditure on charitable activities		
Charitable Activities		
<i>Activities undertaken directly</i>		
Charitable Activities	<u>93,031</u>	<u>62,275</u>
Support costs		
Purchases	6,818	7,043
Rates & Water	8,549	10,854
Light & Heat	28,828	13,268
Repairs & Maintenance	15,563	13,303
Insurance	4,997	5,163
Other Motor/Travel costs	—	120
Telephone	799	761
Other Office Costs	12,263	14,933
Bank Charges & Loan Interest	10,087	10,348
	<u>87,904</u>	<u>75,793</u>
Governance costs		
Governance costs - wages/salaries	48,796	30,660
Governance costs - accountancy fees	2,640	2,640
Governance costs - legal and other professional fees	1,156	—
Governance costs - consultancy fees	15,801	11,684
Governance costs - depreciation	6,615	5,009
	<u>75,008</u>	<u>49,993</u>
Expenditure on charitable activities	<u><u>255,943</u></u>	<u><u>188,061</u></u>

