

CHARITY REGISTRATION NUMBER: 1069987

**ASIAN MUSLIM CULTURAL ASSOCIATION**

**Unaudited Financial Statements**

**Year Ended**

**31 March 2020**

# ASIAN MUSLIM CULTURAL ASSOCIATION

## Financial Statements

**Year ended 31st March 2020**

**Page**

Trustees' annual report	1-5
Independent examiner's report to the trustees	6-7
Statement of financial activities (including income and expenditure account)	8
Statement of financial position	9
Notes to the financial statements	11

# ASIAN MUSLIM CULTURAL ASSOCIATION

## Trustees' Annual Report

Year ended 31st March 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2020.

### Reference and administrative details

Registered charity name: ASIAN MUSLIM CULTARUL ASSOCIATION

Charity registration number: 1069987

Principal office and registered office: 145 Shadwell Place  
London  
E1 2QB

### The Trustees:

Mr Kazi Mohammad Gous Miah - Chairman  
Mr Mohammed Tahir Ali – Treasurer  
Mr Abdul Gani - Trustee  
Mr Abdul Shahid- Trustee & Secretary

The trustees for the purposes of charity law, have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Charity Secretary Mr Abdul Shahid

Independent Examiner Mahbub Murshed AFA  
388-390, Romford Road  
E7 8BS

### Structure, governance and management

#### *Governing Document*

The Charity is constituted as unincorporated association and is therefore the charity's objects and regulations are regulated by the constitution adopted in 1994 .

#### *Appointment of trustees*

All members are requested to send nomination of trustees prior to the election day and are informed of the outgoing trustees. Voting is by ballot and is supervised by three independent commissioners appointed by the board. The trustees are eligible, in committee, to adopt additional trustees under the terms of the constitution.

### *Trustee induction and training*

New trustees are briefed on their legal obligation under charity and trustee deed, the committee and decision making processes and recent financial plan of the charity. This ensures that new trustees are aware of the scope of their responsibilities

### *Organisation*

The board of trustees administer the charity. The board meets regularly and is assisted by a management committee which is elected by members to assist the board in day to day operations covering religious functions, education of all age groups, supervising maintenance and renovation work, collection of funds and other matters arising from time to time. All the trustees and the management committee give their time freely and receive no remuneration or other financial benefits.

### *Risk Management*

The charity trustees have considered the major risks to which the charity is exposed and have reviewed those risks and steps have been taken to address those risks as follows:

- 1) Health and safety discussion at Board Meetings.
- 2) Financial policies and cash flow discussions with the bankers and frequent discussions with members.
- 3) Security and protection of property, staff, volunteers, students and congregation with the police, security firm, and insurance brokers.

### **Objectives and activities**

The Charity's object and its principal activity continues to be that of to provide educational and cultural facilities to the young and adults Muslims of Shadwell and its surroundings. To meet these objectives the charity seeks charitable donations and grants from the public at general and other institutions.

### **Achievements and performance**

The Asian Muslim Cultural Association (AMCA) is a community based cultural organization. It works for the development of members of the local Muslim community.

There has been a steady increase in worshipers attending the mosque. Islamic teachings are available in the mosque. The mosque offers five daily prayers along with the two Eid prayers with the capacity of 3300 participants in each.

The organization runs Children Arabic Classes (supplementary education and development projects) that focuses on guiding and teaching young people up to the age of 16. Along with the regular classes we also run 1 hour Bengali studies as part of teaching a modern foreign language (MFL).



We arrange discussion meetings a drug awareness, Health Issues and Race relations once in every six months. In addition, AMCA also arrange workshops for the parents where they meet the teachers, discuss the progress and other valuable topics such as Community cohesion.

AMCA also held sessions weekly covering various social, cultural and personal matters such as family issues for the elderly people, Citizen responsibilities etc.

The trustees consider the performance of the Charity this year has been satisfactory.

### **Financial review**

The net income during the year amounted to £7,442 (2019-£15,173) following appeals to raise funds to repay loans and for the general upkeep of the mosque. Costs were contained within budget. The trustees consider the financial position of the Charity, as shown in the Financial Statements, to be satisfactory.

### **Plans for future periods**

The aims of AMCA include: To connect students to authentic Islamic teachings. To build and augment Islamic knowledge so as to understand how to live Islam practically. To enable a positive atmosphere conducive to productive learning and development. To increase student's love of Allah and His Messenger. To inspire students to embody the teachings of Islam and to be productive community role models. To instill confidence to respect others and their environments.

There are also plans to develop community programmes with wider community and other organisations as the trustees place great importance on sharing a good understanding of Islam with others whilst gaining an understanding of other cultures and traditions. Consideration is being given to build another floor above the secondary hall in order to accommodate increasing number of Madrasa attendees.

AMCA is planning to introduce Hifz Classes to help in memorizing the Holy Quran from next year which will run on the weekdays and the weekends as well. The Hifz course is structured to allow pupils to complete the memorization of the entire Qur'an without compromising progress and attainment in other areas of study.

The trustees' annual report was approved on 29<sup>th</sup> January 2021 and signed on behalf of the board of trustees by:



Mr Abdul Shahid

Secretary

# ASIAN MUSLIM CULTURAL ASSOCIATION

## Trustees' Report

Year ended 31st March 2020

### Trustees' Responsibilities and basis of report

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP).

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 2015 (FRS 102)
- 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;
- 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 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Independent examiner's statement

Mahbub Murshed AFA of Mahbub & Co Ltd were appointed as the independent examiner for the year ended 31<sup>st</sup> March 2020. The report have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities (2011).The report was approved by the trustees on 29<sup>th</sup> January 2021 and signed on behalf of the board of trustees,



Mr Abdul Shahid

Secretary.

**ASIAN MUSLIM CULTURAL ASSOCIATION**  
**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF**  
**ASIAN MUSLIM CULTURAL ASSOCIATION**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

| report to the trustees on my examination of the financial statements of ASIAN MUSLIM CULTURAL ASSOCIATION for the year ended 31st March 2020.

**Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, | report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination | have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

| have completed my examination. | confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).



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.



Mahbub Murshed AFA, FMAAT, ICPA (FELLOW)

Independent Examiner

388-390, Romford Road

London, E7 8BS

27<sup>TH</sup> January 2021



# ASIAN MUSLIM CULTURAL ASSOCIATION

## Statement of Financial Activities

(including income and expenditure account)

Year ended 31st March 2020

		2020			2019
		Unrestricted Fund	Restricted Fund	Total funds	Total funds
Note		£	£	£	£
<b>Income and endowments</b>					
Donations and legacies	4	68,429	-	68,429	61,206
Charitable activities	5	-	-	-	12,890
		-	-	-	-
<b>Total income</b>		<b>68,429</b>	<b>-</b>	<b>68,429</b>	<b>74,096</b>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and					
legacies	6	57,325	-	57,325	53,506
Governance & Support costs	7	3,662	-	3,662	5,417
<b>Total expenditure</b>		<b>60,987</b>	<b>-</b>	<b>60,987</b>	<b>58,923</b>
<b>Net income</b>		<b>7,442</b>	<b>-</b>	<b>7,442</b>	<b>15,173</b>
<b>Other recognised gains and losses</b>					
<b>Net movement in funds</b>		<b>7,442</b>	<b>-</b>	<b>7,442</b>	<b>15,173</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		547,756	-	547,756	532,583
<b>Total funds carried forward</b>		<b>555,198</b>	<b>-</b>	<b>555,198</b>	<b>547,756</b>

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

# ASIAN MUSLIM CULTURAL ASSOCIATION

## Balance Sheet

For the year ended 31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible fixed assets	8	609,820	610,809
<b>Total fixed assets</b>		<b>609,820</b>	<b>610,809</b>
<b>Current assets</b>			
Debtors	9	-	
Cash at bank and in hand		1,215	2,327
<b>Creditors: amounts falling due within one year</b>			
Other creditors including taxation and social security		737	280
Accruals and deferred income	10	-	-
<b>Total creditors</b>		<b><u>600</u></b>	<b><u>880</u></b>
<b>Net current assets</b>		<b><u>(122)</u></b>	<b><u>1,447</u></b>
<b>Creditors: amounts falling due more than one year</b>			
Qard-e-hasana	10	54,500	64,500
<b>Total assets less current liabilities</b>		<b><u>555,198</u></b>	<b><u>547,756</u></b>
<b>Net assets</b>		<b><u>555,198</u></b>	<b><u>547,756</u></b>
<b>Funds of the charity</b>			
Unrestricted funds general	12	555,198	547,756
Restricted Funds		-	-
<b>Total funds</b>		<b><u>555,198</u></b>	<b><u>547,756</u></b>

## ASIAN MUSLIM CULTURAL ASSOCIATION

### Balance Sheet (*continued*)

These financial statements were approved by the board of trustees and authorised for issue on 28/01/2021, and are signed on behalf of the board by:



Mr Mohammad Gous Miah

(Chairman)

Mr Tahir Ali

(Treasurer)

# **ASIAN MUSLIM CULTURAL ASSOCIATION**

## **Notes to the Financial Statements**

**Year ended 31st March 2020**

### **1. General information**

The charity is a public benefit entity and an unincorporated organization. Due to Covid-19 the mosque and madrasa were completely closed from 20<sup>th</sup> March 2020.

### **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)).

### **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.

#### **Disclosure exemptions**

No cash flow statement has been presented for the company.

#### **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.



### **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**

leasehold Property is not depreciated as it is maintained to such a standard that the estimated residual value is not likely to be less than the cost.

### **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:

Fixtures and Fittings - 15% straight line

### **Investments**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

### **Investment property**

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

### **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 are 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 entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Donations and legacies

	Unrestricted Fund £	Total funds 2020 £	Unrestricted Fund £	Total funds 2019 £
<b>Donations</b>				
Appeals & donations	68,429	<b>68,429</b>	61,206	<b>61,206</b>
Membership & nomination fees	<u>68,429</u>	<u>68,429</u>	<u>61,206</u>	<u>61,206</u>

#### 5. Charitable activities

	Unrestricted Fund £	Total funds 2020 £	Unrestricted Fund £	Total funds 2019 £
Fees for educational activities	-	-	12,890	<b>12,890</b>
	-	-	12,890	<b>12,890</b>



## 6. Charitable Activities Costs:

	Restricted Fund £	Unrestricted Fund 2020 £	Total Fund 2020 £	Total 2019 £
Wages	-	39,286	39,286	38,654
Pension costs	-	353	353	230
Water & rates	-	-	-	394
Repair & maintenance	-	9,549	9,549	6,789
Light & heat	-	7,189	7,189	5,133
Cleaning	-	340	340	931
Study Material and Supply teacher	-	-	-	1,175
Telephone	-	394	394	
Events and Refreshment	-	214	214	200
		<b>57,325</b>	<b>57,325</b>	<b>53,505</b>

## 7. Governance /Support costs:

Insurance	-	654	654	654
Printing ,postage and stationery		1,000	1000	
Legal fees	-	-	-	3,000
Accountancy	-	1,020	1,020	600
Depreciation	-	988	988	1,163
		<b>3,662</b>	<b>3,662</b>	<b>5,417</b>



## 8. Tangible fixed assets

	Leasehold Property £	Fixture & Fittings £	Total £
<b>Cost</b>			
At 1st April 2019	604,220	45,747	649,967
Additions			
<b>At 31st March 2020</b>	<u>604,220</u>	<u>45,747</u>	<u>649,967</u>
<b>Depreciation</b>			
At 1st April 2019	-	39,158	39,158
Charge for the year	-	<u>989</u>	<u>988</u>
<b>At 31st March 2020</b>	-	<u>40,147</u>	<u>40,146</u>
<b>Carrying amount</b>			
<b>At 31st March 2020</b>	<u>604,220</u>	<u>5,600</u>	<u>609,820</u>
At 31st March 2019	<u>604,220</u>	<u>5,600</u>	<u>609,820</u>

## 9. Debtors

	2020 £	2019 £
Prepayments and accrued income	-	276

**10. Other creditors including taxation and social security falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals	<b>600</b>	<b>600</b>
Qard- e- Hasana	<b>54,500</b>	<b>64,500</b>
	<b><u>55,100</u></b>	<b><u>65,100</u></b>

**11. Staff Emoluments:**

	<b>2020</b>	<b>2019</b>
Total Wages and Salaries	39,285	38,654
	<b>39,285</b>	<b>38,654</b>
Direct Charitable	<b>39285</b>	<b>38,654</b>
Avg No of Employees	<b>6</b>	<b>6</b>

Employees paid in excess of £60,000 during the financial year is nil.

The trustees neither received nor waived any remuneration during the year. (2019: £nil)

## 12. Movements In funds:

	Unrestricted Fund	Restricted Fund	Total
As at 1 April 2019	547,756	-	547,756
Current Year	7,442	-	7,442
	<b>555,198</b>	<b>-</b>	<b>555,198</b>
<b>Total Fund</b>	<b>555,198</b>	<b>-</b>	<b>555,198</b>

The trustees have identified that restricted fund of £25,000 already expended in prior year and tied up with the improvement and refurbishment. Hence it has been decided to move to the unrestricted fund.

## 13 Taxation

The entity is a registered charity and does not undertake non-charitable activities and are entitled for tax exemption by the Inland Revenue.

## 14. Post Balance Sheet Events:

There were no significant post balance sheet events.

## 15. Transaction with Trustees:

There were no transaction with the trustees during the year.

## 16. Contingent Liabilities:

The Charity had no contingent liabilities as at 31 March 2020 nor at 31 March 2019.

**17. Related Parties Transaction:**

There were no disclose able related party transactions during the year

**18. Gifts in Kind and Volunteers:**

During the year the charity benefited from unpaid work performed by volunteers.