

Portsmouth Muslim Academy

Financial Statements for the year ended

30 June 2016

Portsmouth Muslim Academy

Report of the Trustees for the year ended 30 June 2016

The trustees present their annual report and audited financial statements for the year ended 30 June 2016 and confirm they comply with the Charities Act 1993, as amended by the Charities Act 2006, the trust deed and the Charities SORP 2005.

Reference and Administrative Information

Charity Name	Portsmouth Muslim Academy
Charity Registration Number	1119906
Principal Office:	C/O BC&A 161 Elm Grove Southsea Portsmouth Hampshire PO5 1LU

Board of Trustees

Liakoth Ali - President
Mofosir Hussain Choudhury
Gulab Mohammed Ali

Accountants & Independent Examiners

BC&A Chartered Accountants
161 Elm Grove
Southsea
Hampshire
PO5 1LU

Bankers

HSBC
118 Commercial Road
Portsmouth
Hampshire
PO1 1EP

Portsmouth Muslim Academy

Report of the Trustees for the year ended 30 June 2016

Structure, governance and management

Governing document

Portsmouth Muslim Academy is constituted as a charitable trust registered with the Charity Commission in July 2007 under charity number 1119906. It is governed by a memorandum and articles of association incorporated 27 June 2007.

Organisational structure

The charity trustees 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.

The trustees meet together as a body at least three times annually and are responsible for all decisions taken in relation to running the centre and funds, and the community facilities and the activities provided by the charity.

Recruitment and appointment of trustees

This charity is run by three trustees, who are the founders and subscribers of this organisation. The trustees may at anytime co-opt any individual who is qualified to be appointed as a trustee, but a co-opted trustee holds office only until the next AGM.

Induction and training of trustees

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified. In particular, insurance cover is in place and the finances of the centre are kept under review. Appropriate Criminal Records Bureau (CRB) checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups within the community centre.

Objectives and activities

Our aims and objectives

The Objects are the advancement of religion and education in accordance with the tenets and doctrines of Sunni Islam which is in accordance with the juristic interpretation of the Grand Mufti of Darul-Uloom Al-Arabiyya Al-Islamiyyah, Holcombe Hall, Bury, Lancashire and to provide facilities for the Muslim community for recreation or other leisure time occupation with the object of improving their conditions of life.

Strategies

We want to make our premises an accessible and welcoming venue where all Muslims, or those who wish to know more about our faith, can gather together to learn about their religion and worship. The centre is open for daily prayers and has good selection of Islamic books.

An important part of our faith is charitable giving. We spend a lot of our time fund raising for the charity.

An important part of our strategy is community welfare and education. All our community facilities and activities including classes, health initiatives and seminars are widely advertised and we welcome the participation of all in our local community. Most of our activities are free and supported by donations or grant funding.

Use of volunteers

Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community activities and we have many people regularly giving their time. All our trustees also give of their time freely. We encourage all members of our Centre to be involved in voluntary activities and to share their skills with others. All those volunteers working with projects involving children or other vulnerable groups are CRB checked.

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 Centre and the wider community of Portsmouth.

Religious activities

Our Centre provides a place for our prayers and worship and for the activities associated with our faith. During the year under review, we offered a range of religious services and activities including:

Prayers: The Centre is open all day for daily prayers.

Festivals: The Centre prepares food during Ramadan for those attending our Centre who wish to break their fast together. Eid is also celebrated at the Centre.

Hifz classes: Memorisation of the Qur'an is considered an important element of religious education and training. We continue to provide this facility for the young people in the Centre. We are pleased this programme which continues to run successfully.

Islamic awareness: We continued to hold series of lectures, open to all, to promote Islamic knowledge and awareness.

Zakat: We do provide the opportunity for those attending the Centre to give Zakat and we arrange its distribution for approved purposes. The Zakat Committee of the Centre collects and distributes the Zakat, none of which is used to fund the Centre. The Centre makes no charge for the collection and distribution of Zakat.

Sports activities: We hire sports halls for members of the charity.

Other events: Various events were organised and held during the reporting period including henna & mendi, bookstall, fund raising events, 25th December event, and sisters fun day.

Financial review

Reserves policy

The trustees have reviewed the reserves of the charity. Their policy is to hold enough funds to meet operating costs of the Centre, excluding the collection and distribution of Zakat, and of our community activities and programmes.

Principal funding sources

Charity's main source of income is from donations. Other sources of funds come from charitable events.

Investment policy and objectives

The charity has no long-term investments. Our cash reserves are held in deposit accounts.

Plans for future periods

We plan to continue the series of events we hold and we will be inviting visiting Imams to our Centre who can share with us their learning and understanding of Islam and the teachings of the Qur'an. We plan to host few events annually.

We intend to maintain our existing range of community activities working in partnership with the community and to further develop our community projects. We continue to place great importance on sharing a good understanding of Islam with our non-Muslim neighbours whilst gaining an understanding of their culture and traditions.

Statement of Trustees' responsibilities

The charity trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 the 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;
- 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 to enable them to ensure that the financial statements comply with the Charities Act 2011, the statutory requirements under the Companies Act 2006 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees for the purposes of charity law who served during the year and up to the date of this report are set out on page 1.

Approved by the trustees and signed on its behalf by:

Liakoth Ali (President)

31 March 2017

Independent examiner's report to the trustees of Portsmouth Muslim Academy

I report on the accounts of the charity for the year ended 30 June 2016, which are set out on pages 7 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's qualified statement

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, I can confirm that in the course of my examination, no matter has come to my attention



Name: Tahir Ahmed
Qualified Chartered Accountant
Address: 14 Glenwood Road, Stoneleigh, Epsom, Surrey, KT17 2LZ
Date: 31 March 2017

Portsmouth Muslim Academy
Statement of Financial Activities for the year ended 30 June 2016

		Unrestricted Funds	Restricted Funds	Total Funds
	Notes	2016 £	2016 £	2016 £
Incoming resources				
Donations	2	43,009	-	43,009
Total incoming resources		43,009	-	43,009
 Resources expended				
Educational costs	3	471	-	471
Support costs	4	13,046	-	13,046
Governance costs	5	227	-	227
Total resources expended		13,745	-	13,745
Net movement in funds		29,264	-	29,264
Total funds brought forward		357,129	-	357,129
Total Funds carried forward		386,393	-	386,393

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet as required by the said statement.

**Portsmouth Muslim Academy
Balance Sheet as at 30 June 2016**

		2016 £
Fixed assets:		
Tangible assets	6	399,307
Current assets:		
Cash at bank and hand		<u>47,970</u>
Total current assets		47,970
Liabilities:		
Creditors falling due within 1 year	7	<u>-31,000</u>
Net current assets		16,970
Net assets		<u><u>416,277</u></u>
The funds of the charity:	8	
Unrestricted funds:		
General funds		<u>416,277</u>
Total unrestricted funds		416,277
Restricted income funds		-
Total charity funds		<u><u>416,277</u></u>

For the year ended 30 June 2011 the company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and the members have not required the company to obtain an audit in accordance with section 476 of the Act.

The management committee acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and with the SORP: Accounting and Reporting by Charities 2005.

Approved by the Management Committee and signed on their behalf by:

Liakoth Ali
President of Trustees

31 March 2017

Notes to the accounts for year ended 30th June 2016

1. Accounting policies

(a) Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

(b) Fund accounting

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific appeal at Friday prayers or under the terms for public collection of Zakat in accordance with the teachings of Islam.

(c) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations at prayers/ events and grants, and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Incoming resources from grants, where there are performance or service deliverables required by the terms of the grant, are accounted for as the charity earns the right to payment through its performance. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services donated by volunteers has not been included in these accounts, except where the services provided are in the nature of professional services where a fee would otherwise be charged, in which case the donated service is valued at their chargeable rate.

Investment income is included when receivable.

Incoming resources from charitable trading activity is accounted for when earned.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(f) Governance costs

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

2	Incoming resources from voluntary income	Unrestricted Funds	Restricted Funds	Total Funds
		2016	2016	2016
		£	£	£
	27th Ramadhan	560	-	560
	A Jubayer	1,500	-	1,500
	Direct debits and small donations	19,204	-	19,204
	Donation boxes	495	-	495
	Eid collections	2,010	-	2,010
	Friday collections	12,165	-	12,165
	Headscarf and hijab sale	480	-	480
	Lecture programs	640	-	640
	M Nessa	1,500	-	1,500
	M Rahman	1,500	-	1,500
	R.A. Locum Ltd	1,200	-	1,200
	Sisters collections and events	1,755	-	1,755
	Total	43,009	-	43,009

3	Educational costs and activities	Unrestricted Funds	Restricted Funds	Total Funds
		2016	2016	2016
		£	£	£
	Azhar Academy	471	-	471
	Total	471	-	471

4	Support costs	Unrestricted Funds	Restricted Funds	Total Funds
		2016	2016	2016
		£	£	£
	Depreciation	1,732	-	1,732
	Insurance	1,625	-	1,625
	Light & Heat	1,932	-	1,932
	Miscellaneous	303	-	303
	Motor expenses	1,929	-	1,929
	Parking permits	365	-	365
	Printing, stationery and postage	378	-	378
	Rates	875	-	875
	Repairs and maintenance	189	-	189
	Security	155	-	155
	Sky TV	228	-	228
	Sports activities	2,881	-	2,881
	Water	454	-	454
	Total	13,046	-	13,046

5	Governance costs	2016
		£
	Accountants' remuneration	227
		227

6	Fixed assets: tangible assets	Motor Vehicles	Fixtures & Fittings	Land & Buildings	Total 2016
		£	£	£	£
	Cost				
	As at 1 July 2015	-	1,501	392,377	393,878
	Addition	8,000	-	-	8,000
	Disposals	-	-	-	-
	At 30 June 2016	8,000	1,501	392,377	401,878
	Depreciation				
	As at 1 July 2015	-	839	-	839
	Charge for the year	1,600	132	-	1,732
	Disposals	-	-	-	-
	At 30 June 2016	1,600	971	-	2,571
	Net book value				
	At 30 June 2016	6,400	530	392,377	399,307

7	Analysis of creditors	2016
		£
	Loans	31,000

8 Analysis of charitable funds

Analysis of fund movement	Balance b/f	Incoming resources	Resources expended	Transfers	Fund c/f
	£	£	£	£	£
Unrestricted funds:					
Unrestricted general funds	387,012	43,009	-13,745	-	416,277
	387,012	43,009	-13,745	-	416,277
Restricted funds:					
	-	-	-	-	-

9. Corporation tax

As a charity the company is exempt from Corporation tax by virtue of having its entire income and gains applied for its charitable objectives.