

BAITUL AZIZ ISLAMIC CULTURAL TRUST
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2016

BAITUL AZIZ ISLAMIC CULTURAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Taz Ahmed Saiyeed Haque Aziz Miah Kholkur Rahman Mohammed Uddin
Charity number	292922
Principal address	1 Dickens Square Harper Road London SE1 4JL
Independent examiner	Richard F Hopper Chinthurst 30 St Stephens Hill Launceston Cornwall PL15 8HN

BAITUL AZIZ ISLAMIC CULTURAL TRUST

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BAITUL AZIZ ISLAMIC CULTURAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's trust deed, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The trust was established by a charitable trust deed on 2 October 1985.

The trustees who served during the year were:

Taz Ahmed

Saiyeed Haque

Aziz Miah

Kholkur Rahman

Mohammed Uddin

New trustees are appointed by existing trustees as need arises.

The trust is overseen by the trustees who meet regularly during the year. Imams are employed to lead the worship services, teach the Islamic faith, look after the mosque and assist in the religious performances preparatory to the congregational prayers. They also provide advice on moral upbringing to help reduce drug-taking and other ills affecting society. The trustees expect to soon introduce a core curriculum syllabus for boys and girls.

The trustees have assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The main policy adopted in furtherance of these objects is the running of a mosque in London and there has been no change in this during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Achievements and performance

Details of the development, activities and achievements of the trust during the year are set out in the separate annual report.

Financial review

There was a surplus of donations received over costs incurred during the year as shown in the attached accounts. The surplus will be put towards the remaining costs of completing the mosque building.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

BAITUL AZIZ ISLAMIC CULTURAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

On behalf of the board of trustees

.....

Kholkur Rahman

Trustee

Dated:

BAITUL AZIZ ISLAMIC CULTURAL TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BAITUL AZIZ ISLAMIC CULTURAL TRUST

I report on the accounts of the trust for the year ended 31 December 2016, which are set out on pages 4 to 9.

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 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) 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
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

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 statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Richard F Hopper

Chartered Accountant
Chinthurst
30 St Stephens Hill
Launceston
Cornwall
PL15 8HN

Dated:

BAITUL AZIZ ISLAMIC CULTURAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	232,982	24	233,006	221,022
Incoming resources from charitable activities	3	1,654	-	1,654	1,459
Total incoming resources		234,636	24	234,660	222,481
<u>Resources expended</u>					
	4				
<u>Charitable activities</u>					
Mosque activities		107,977	8,654	116,631	94,805
Governance costs		1,222	-	1,222	793
Total resources expended		109,199	8,654	117,853	95,598
Net income/(expenditure) for the year/ Net movement in funds		125,437	(8,630)	116,807	126,883
Fund balances at 1 January 2016		1,582,850	206,890	1,789,740	1,662,857
Fund balances at 31 December 2016		1,708,287	198,260	1,906,547	1,789,740

BAITUL AZIZ ISLAMIC CULTURAL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	8	2,147,166		1,835,544	
Current assets					
Debtors	9	318		914	
Cash at bank and in hand		63,638		179,025	
		<u>63,956</u>		<u>179,939</u>	
Creditors: amounts falling due within one year	10	<u>(304,575)</u>		<u>(225,743)</u>	
Net current liabilities		<u>(240,619)</u>		<u>(45,804)</u>	
Total assets less current liabilities		<u><u>1,906,547</u></u>		<u><u>1,789,740</u></u>	
Income funds					
Restricted funds	11	198,260		206,890	
Unrestricted funds		<u>1,708,287</u>		<u>1,582,850</u>	
		<u><u>1,906,547</u></u>		<u><u>1,789,740</u></u>	

The accounts were approved by the Trustees on

.....
Saiyeed Haque
Trustee

.....
Kholkur Rahman
Trustee

BAITUL AZIZ ISLAMIC CULTURAL TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 2011.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

1.3 Resources expended

Expenditure is recognised in the accounts at the time when an obligation to make payment is incurred.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	over life of lease
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Leasehold property	over life of lease
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Fixtures, fittings & equipment	10% p.a. on cost
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1.5 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations and gifts	232,982	24	233,006	221,022

3 Incoming resources from charitable activities

	2016 £	2015 £
Sale of calendars	1,654	1,459

BAITUL AZIZ ISLAMIC CULTURAL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2016 £	Total 2015 £
Charitable activities					
<u>Mosque activities</u>					
Activities undertaken directly	48,823	-	1,220	50,043	40,986
Support costs	17,570	26,364	22,654	66,588	53,819
Total	66,393	26,364	23,874	116,631	94,805
Governance costs	-	-	1,222	1,222	793
	<u>66,393</u>	<u>26,364</u>	<u>25,096</u>	<u>117,853</u>	<u>95,598</u>

Governance costs includes payments to the independent examiner of £804 (2015: £792) for independent examination and accountancy fees.

5 Support costs

	2016 £	2015 £
Premises costs	20,123	14,148
Administration costs	2,531	2,239
Staff costs	17,570	14,267
Depreciation	26,364	23,165
	<u>66,588</u>	<u>53,819</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2015: none were reimbursed).

BAITUL AZIZ ISLAMIC CULTURAL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2016 Number	2015 Number
Imams	2	2
Others	2	2
	<u>4</u>	<u>4</u>

Employment costs

	2016 £	2015 £
Wages and salaries	<u>66,393</u>	<u>54,103</u>

There were no employees whose annual remuneration was £60,000 or more.

8 Tangible fixed assets

	Land and buildings £	Spare heading £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2016	61,702	1,915,152	50,135	2,026,989
Additions	-	337,755	231	337,986
At 31 December 2016	<u>61,702</u>	<u>2,252,907</u>	<u>50,366</u>	<u>2,364,975</u>
Depreciation				
At 1 January 2016	5,680	146,387	39,378	191,445
Charge for the year	247	21,937	4,180	26,364
At 31 December 2016	<u>5,927</u>	<u>168,324</u>	<u>43,558</u>	<u>217,809</u>
Net book value				
At 31 December 2016	<u>55,775</u>	<u>2,084,583</u>	<u>6,808</u>	<u>2,147,166</u>
At 31 December 2015	<u>56,022</u>	<u>1,768,765</u>	<u>10,757</u>	<u>1,835,544</u>

BAITUL AZIZ ISLAMIC CULTURAL TRUST

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Debtors	2016 £	2015 £
Other debtors	(1)	-
Prepayments and accrued income	319	914
	<u>318</u>	<u>914</u>

10 Creditors: amounts falling due within one year	2016 £	2015 £
Karje Hasana loans	289,000	199,000
Accruals	15,575	26,743
	<u>304,575</u>	<u>225,743</u>

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2016 £	Movement in funds Incoming resources £	Resources expended £	Balance at 31 December 2016 £
Building Fund	202,926	24	(6,000)	196,950
Equipment	3,964	-	(2,654)	1,310
	<u>206,890</u>	<u>24</u>	<u>(8,654)</u>	<u>198,260</u>

12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2016 are represented by:			
Tangible fixed assets	1,949,011	198,155	2,147,166
Current assets	63,851	105	63,956
Creditors: amounts falling due within one year	(304,575)	-	(304,575)
	<u>1,708,287</u>	<u>198,260</u>	<u>1,906,547</u>