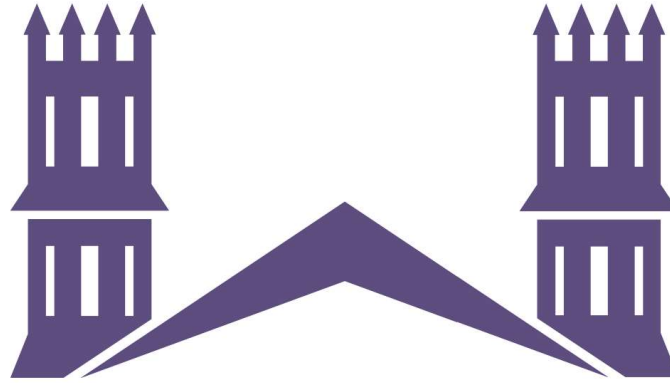


# Annual Report – December 2023

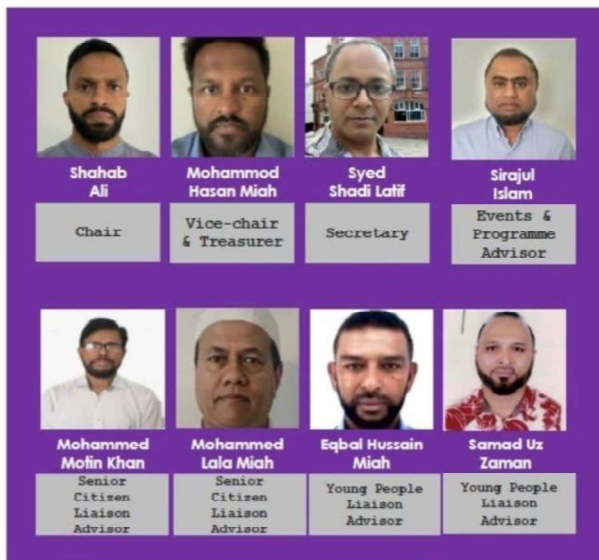


SWANSEA MOSQUE | MOSG ABERTAWE

Registered charity in England and Wales (1105355)

## BOARD OF TRUSTEES (Elected September 2023)

### Board of Trustees



Your newly elected Board of Trustees has overall responsibility for the strategic leadership, governance and appropriate controls for your masjid.

# BOARD OF TRUSTEES KEY PRIORITIES

Further strengthen our governance, policies and procedures

Forge wider partnership with local and national organisations

Review our governing documents and propose improvements where required

## MANAGEMENT COMMITTEE

(Elected November 2022)

### Management Committee

Your Management Committee are responsible for maintaining security and the day-to-day management of all services of your masjid.



**Koddus Ali**

Chair



**Khalid Hussain**

Vice-chair



**Souful Alam**

Secretary



**Azom Miah**

Treasurer



**Shahamran Miah**

Education Officer



**Mohammed Al-Imran**

Technology, Audio & Media Coordinator



**Farid Ali**

Facilities Manager



**Abdullah Zunaid**

Events & Programme Coordinator



Swansea Mosque and Islamic Community Centre  
Registered charity in England and Wales (1105355)

# MC PRIORITIES

## Core services & facilities

Improve our core services and facilities to ensure it continually meets the needs and demands of our members and our growing community

## Madrasah

Modernise our madrasah system and syllabus, equip teachers with advanced training and provide better IT facilities and digital learning tools for our students

## Youth engagement

Increase youth engagement through structured classes, games, activities and trips

## Sisters engagement

Organise structured classes and activities in line with the needs of our sisters

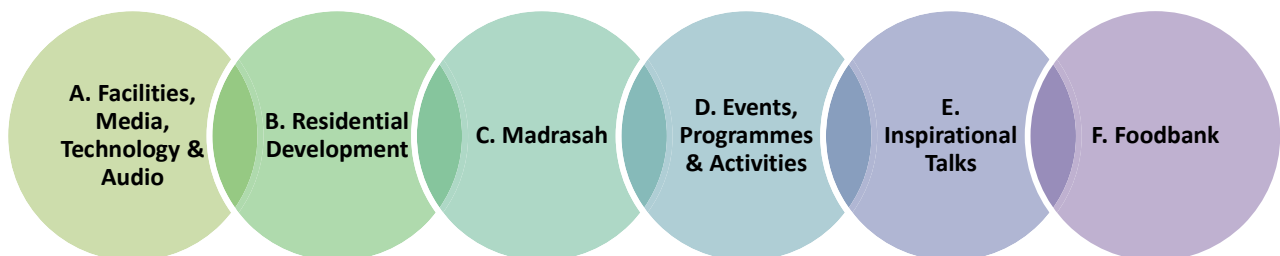
## Residential flats

Complete 2 further flats and install the staircase

## Review policies & procedures

To ensure we continue to be legally compliant

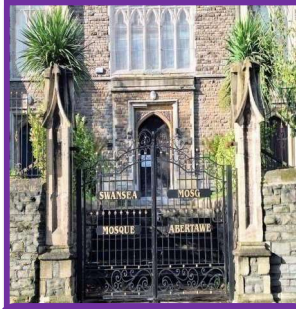
# PROJECTS UPDATE



# (A) FACILITIES, MEDIA, TECHNOLOGY & AUDIO



**New Lift**  
£60,433



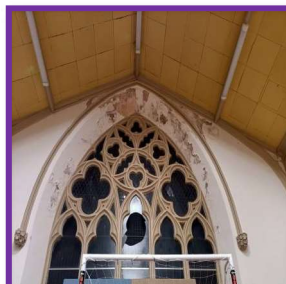
**Railings & Gates**  
£21,500



**Two Tower Repair**  
£12,374



**Reception Upgrade**  
£3,255



**Hall Damp Proofing**  
£16,080

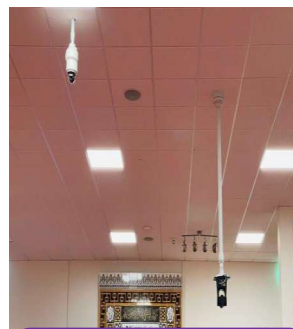


**Radio & Speakers**  
£3,174

# (A) FACILITIES, MEDIA, TECHNOLOGY & AUDIO



**TV Screen, Display & Software** £760



**Live Streaming Cameras & installation** £2,198



**2024 Calendar**  
Circa £1,800



**Garden Upgrade by Volunteers**

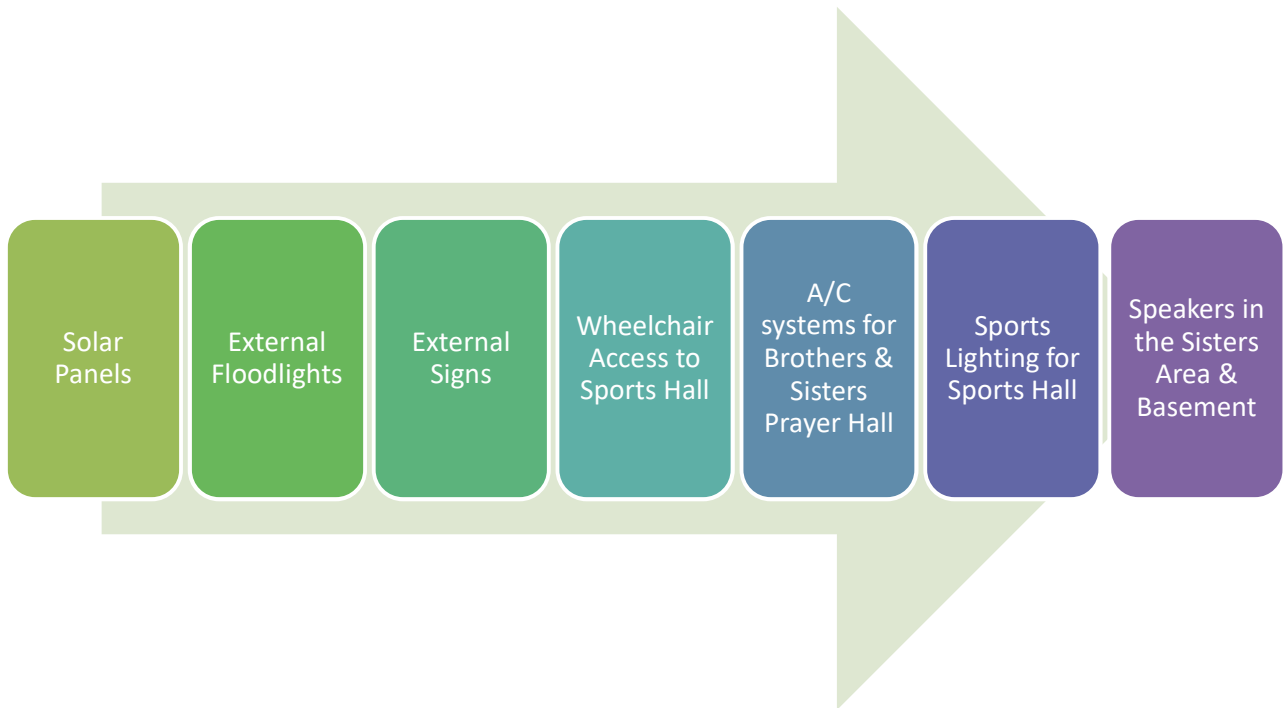


**Interior Signage**  
£727.20

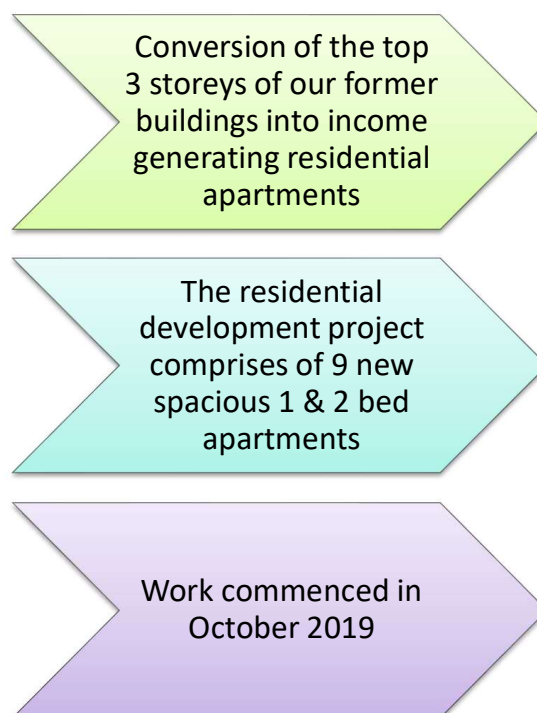


**Waiting Area Seating (1 x 4 Seater)** £632

## (A) PLANNED WORKS



## (B) RESIDENTIAL DEVELOPMENT PROJECT



## (B) WORKS COMPLETED TO DATE

Rear of building demolished and rebuilt

Completed the external structure of the building including windows

New internal flooring completed for the 4 storey development

Internal wall structure for each of the flats are now in place

Entire roof of the building replaced

Alhamdulillah, 2 units complete and 2 more nearing completion

## (B) WORKS COMPLETED TO DATE



**Bathroom**



**Living Space/Kitchen**



**Bedroom with balcony**

## (B) FLATS NEARING COMPLETION



**Bedroom**



**Living Space/Kitchen**



**Bathroom**

## (B) PROJECT COST

Our spending since we started the commercial, residential and funeral service project is approximately £449,000

(as per the Accounts reported in 2020, 2021, 2022 & 2023)



Such costs relate to the installation of fire doors, windows, cladding, rendering, plastering, demolition, scaffolding, electrical installations, water supply, sprinklers, fixtures, fittings, materials, planning/buildings regulations fees, surveys, flooring, joists, roof works & plumbing, amongst others



Alhamdulillah 2 of the 9 flats have been completed and 2 are nearing completion

## (B) LONG TERM SUSTAINABILITY

The continuing support of the community is critical to complete this project

Create a sustainable income stream for SMICC to help with the long term development of the needs of the community

In Sha Allah, with all 9 units complete together with the current commercial unit should generate an income of approximately **£85,000 per year**

(This is estimated on a rental income of £600 per month per flat and the current rental income from the commercial unit)

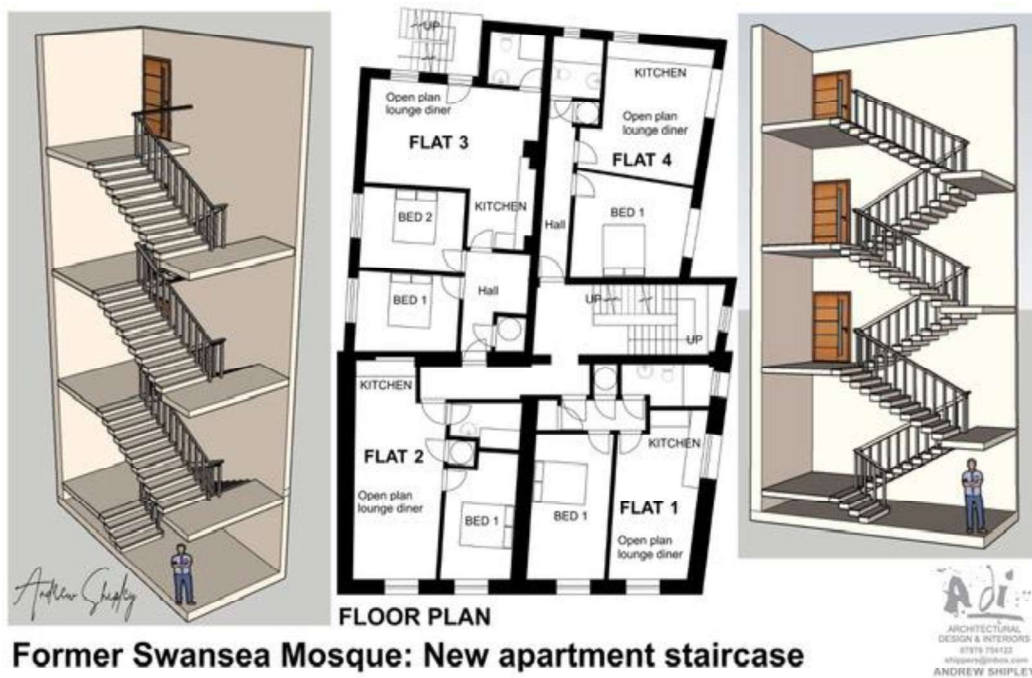
## (B) NEXT STEPS

1. Install permanent access staircase to service all the flats. The staircase has already been commissioned

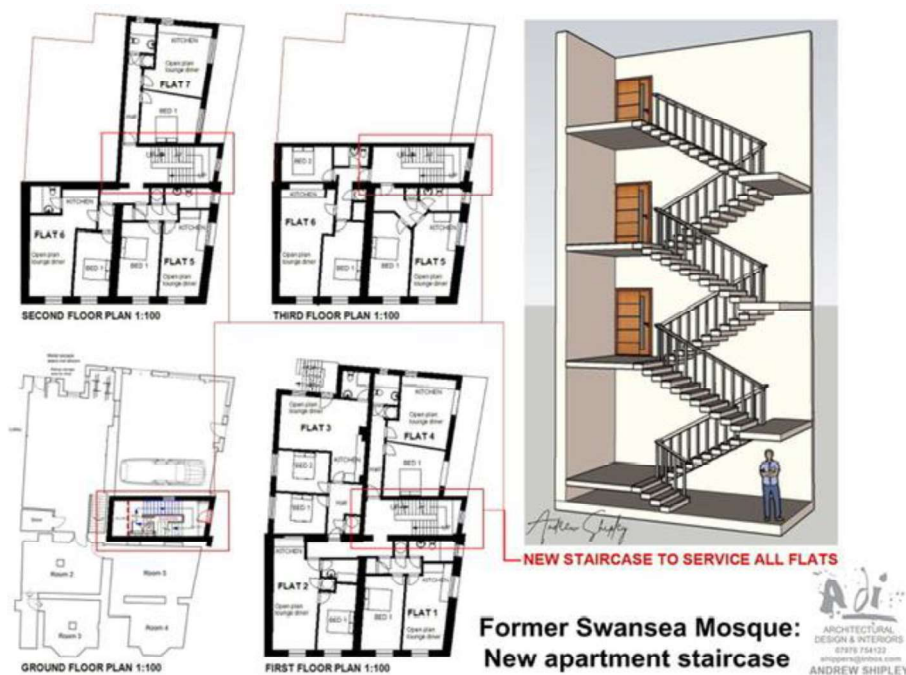
2. Complete two more flats



# (B) PROPOSED STAIRCASE



# (B) PROPOSED STAIRCASE



# (C) MADRASAH UPDATE



## Madrasah Objectives

### Madrasah objectives

Short term (Within 2 years)	Mid term (3 to 5 year)	Long term (5 to 10 years)
<p>To conduct a comprehensive Madrasah audit with key stakeholders (Parents, teachers and independent panel)</p> <p>To creating Sub-committees management operational and strategic changes to madrasah</p> <p>To centralise resources by setting up Madrasah google drive and google classroom.</p> <p>To update and revamp key policies with the madrasah including attendance, child protection and Madrasah handbook</p> <p>To purchase better equipments and resources including Whiteboard and projectors</p> <p>To invest in the recruitment of new and experienced teachers, teaching assistance and volunteers (better pay and conditions)</p> <p>To install new systems to monitor progress including salah, tajweed, Islamic studies. This will be further supported by target setting and consistent testing.</p> <p>To employ a full time Madrasah administrator to manage the front of house.</p> <p>Implementation of new SOW and Syllabus.</p> <p>Organise and implement professional training for staff</p>	<p>Increase madrasah setting from the year 8 to year 11 classes (up to the age of 16)</p> <p>Organise and run an annual madrasah play/concert/celebrations event</p> <p>To invest in better Digital technology to support learning including chromebooks and ipads</p> <p>To set up a dedicated SEN Class</p> <p>To organise outdoor excursion and educational trips</p> <p>To develop and integrate Arabic language into the teaching &amp; learning curriculum</p> <p>To offer foreign language classes including Urdu and Bangla if there is sufficient demand</p> <p>To introduce Weekday Madrasah</p> <p>To invest in a short term educational services for Teenagers</p> <p>Create performance management targets for all staff</p> <p>Create a dedicated Madrasah website and social media.</p> <p>To create a regional networking committee with other muslim establishment to share good practices</p> <p>To invest in Madrasah library system</p>	<p>To enter pupils to sit GCSE Islamic studies</p> <p>Organise Umrah tours for madrasah students and family.</p> <p>Creating hufaaZ within the communities InshahAllah.</p> <p>To become a recognised centre of excellence and good practice.</p> <p>To able to produce students who will one day become teachers at the mosque</p> <p>To embark and explore the potential of running a comprehensive Aalimiyah course</p>

## Madrasah overview

---

Dr Islam (**Madrasah headteacher**) & Mufti Eunos (**Head of Hifz**)

---

20 teachers

---

1 Madrasah Admin

---

9 Teaching Assistants

---

135 pupils' morning madrasah, 76 pupils' afternoon madrasah and 24 Hifz students. Total 235 pupils

---

Year 2 to 11 (6 to 16 years old). 15 morning classes and 8 afternoon

---

Waiting list increased from 6 to 152. Mainly requests for morning classes. Approximately 17 on waiting list- **All in Year 1** (too young)

---

74% of parents attended the recent ARD

---

## Swansea madrasah updates

---

**Audit of current system & practices** via online parental survey, staff focus group, independent madrasah inspection and SWOT analysis by the Madrasah leads.

---

Creation of the **Madrasah Subcommittee** to evaluate policies and practices before induction to the madrasah setting

---

Introduction of **new Qaidah & Safar Publication Islamic studies syllabus Hifz programme for girls** with 12 student enrolled and additional numbers included in the boys hifz programme. Plans to increase classes depending on demand

---

**5 new morning classes** morning classes introduced to reduce waiting list. Many of whom left on the list are in year 1 and too young to join madrasah

---

1 Weekday **Madrasah** classes started from September and plans to open another in the near future

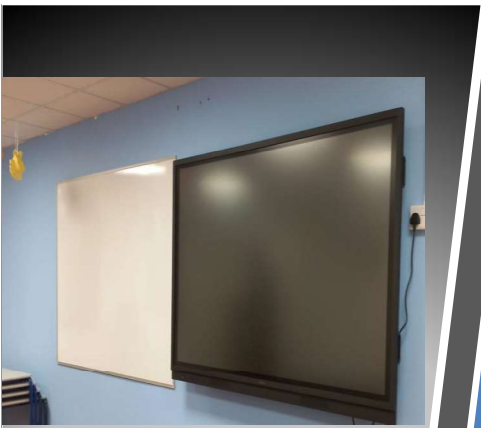
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Plans to introduce **Arabic language** classes in September 2024

---

Implementation of **Tajweed month** in the summer term

---



## Maintain quality and standards

---

5 half termly assessment and **Academic Review Day** (ARD)

---

**Thematic observations** including book check, diary monitoring, uniform etc.

---

Individual **target setting** and monitoring each term

---

Formal **lesson observations** by the management team

---

External **Independent Audit**

---

Internal **staff assessment**

---

**Performance Management Review** (PMR)



## Staff Training & development

- **10 accredited first aiders in the mosque** and TAs completed lifesaving course as part of Swansea university Medic programme
- **Safeguarding & Behaviour Management** training from Teacher from Olchfa School
- **Assessment for learning** from a teacher from St Helen Primary
- Three other training planned on the 3<sup>rd</sup> December on **differentiation and lesson planning** from two additional teachers from Olchfa School and **Prophetic teaching** by Shiekh Rizwan
- **Online training** with Safar publication
- Whole madrasah **Autism training** planned in the summer term
- **Regional Madrasah networking** and collaborations

# Eid Fun day

A team of **50+ people** organised and ran a very successful event

All sales going towards the improvement of madrasah

**Over 35 stalls** and activities

Basement dedicated to parents and **toddlers' activities**

We raised little **over £6,000**

Fundraising helped to purchase **5 interactive tv** and whiteboards for all classes



## Potential Future Plans

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Tuition centre

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Parents and **toddler groups**

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**SEN** Madrasah class

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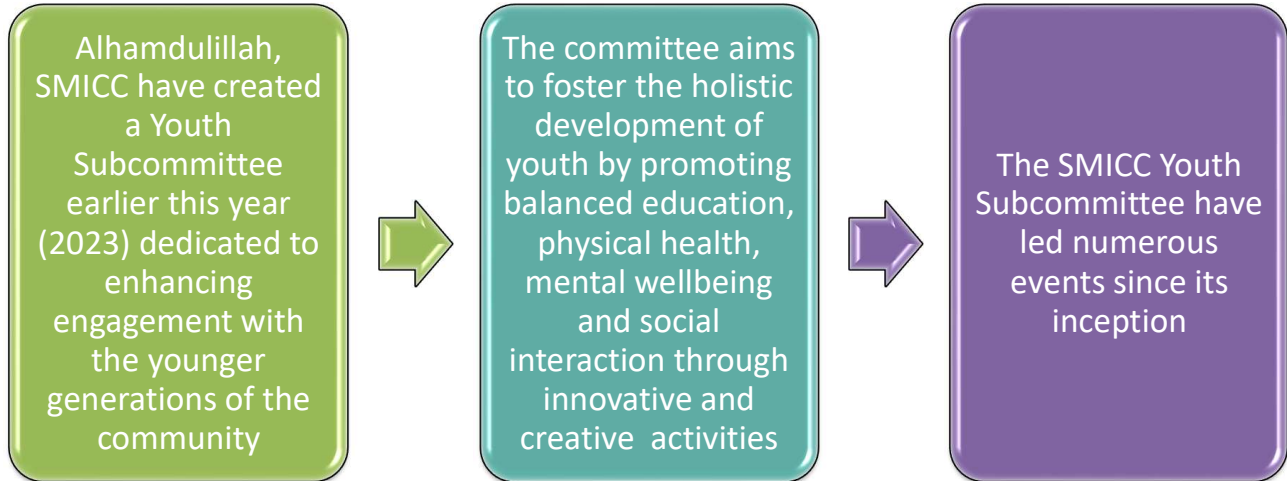
Madrasah children library

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**Teenage education programme**

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## (D) EVENTS, PROGRAMMES & ACTIVITIES



## (D) EVENTS, PROGRAMMES & ACTIVITIES





# Activities

## (D) YOUTH SUBCOMMITTEE FUTURE PLANS

Expansion of the weekly Sunday classes with structured short courses

Introduction of further activities such as Tennis and Horse riding

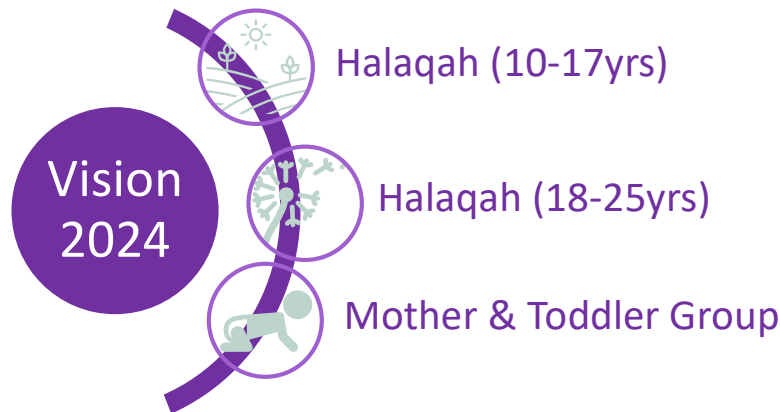
Residential and day trips

Leadership and development training

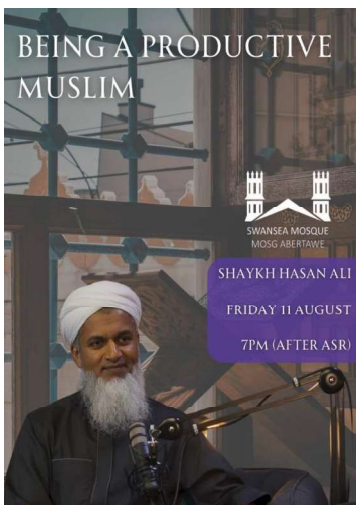
Charitable work experiences

# (D) SISTERS SUBCOMMITTEE

Alhamdulillah, Swansea Mosque proudly introduces the newly formed Sisters Subcommittee to serve sisters of all ages in the community. The Committee is committed to supporting and nurturing the spiritual, physical, educational and social well-being of sisters through a diverse range of regular activities, programs, and classes

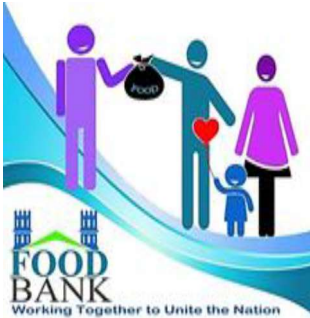


# (E) INSPIRATIONAL TALKS





# (F) FOOD BANK



“And they give food in spite of love for it to the needy...”  
(Surah Al-Insaan)

Our foodbank provides service users with pre-packed boxes/bags of necessary food and other essential items to last up to two weeks



We have seen the demand for our service increase compared to previous years. During the month of Ramadan, Swansea Mosque distributed 30 family packages

This would not have been possible without the support from our key partners, Local Authority, Fareshare, SCVS and our local community members



# 5. FINANCIAL REPORT 2022/2023



Charity registration number: 1105355

# Swansea Mosque and Islamic Community Centre

Annual Report and Financial Statements

for the Year Ended 31 March 2023

K B Ferguson Ltd T/A Fergusons & Peters  
Chartered Accountants  
4 High Street  
Pontardawe  
Swansea  
SA8 4HU  
Chartered Accountants

## Swansea Mosque and Islamic Community Centre

### Contents (continued)

Reference and Administrative Details	1
Trustees' Report	2
Statement of Trustees' Responsibilities	3
Accountants' Report	4
Independent Examiner's Report	5
Balance Sheet	6
Notes to the Financial Statements	7 to 14

## Swansea Mosque and Islamic Community Centre

### Reference and Administrative Details

#### **Chair**

Mr Shahab Ali

#### **Charity Registration Number**

1105355

#### **Principal Office**

159a St Helen's Road  
Swansea  
SA1 4DG

#### **Independent Examiner**

K B Ferguson Ltd T/A Fergusons & Peters  
Chartered Accountants  
4 High Street  
Pontardawe  
Swansea  
SA8 4HU

## Swansea Mosque and Islamic Community Centre

### Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2023.

#### Objectives and activities

##### *Public benefit*

##### Activities undertaken to further public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### Structure, governance and management

##### Financial instruments

##### *Objectives and policies*

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

##### *Cash flow risk*

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

##### *Credit risk*

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

##### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 14/01/2024 and signed on its behalf by:



.....  
Mr Shahab Ali  
Chair

## Swansea Mosque and Islamic Community Centre

### 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 <sup>14/01/2024</sup> ..... and signed on its behalf by:



.....  
Mr Shahab Ali  
Chair

**Chartered Accountants' Report to the Trustees on the Preparation of the Unaudited  
Statutory Accounts of  
Swansea Mosque and Islamic Community Centre  
for the Year Ended 31 March 2023**

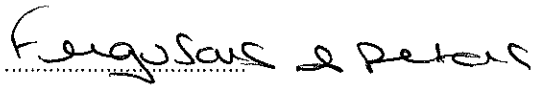
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Swansea Mosque and Islamic Community Centre for the year ended 31 March 2023 as set out on pages 6 to 14 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW) we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Swansea Mosque and Islamic Community Centre, as a body, in accordance with the terms of our engagement letter dated 8 September 2022. Our work has been undertaken solely to prepare for your approval the financial statements of Swansea Mosque and Islamic Community Centre and state those matters that we have agreed to state to the board of directors of Swansea Mosque and Islamic Community Centre, as a body, in this report, in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Swansea Mosque and Islamic Community Centre and its board of directors as a body for our work or for this report.

It is your duty to ensure that Swansea Mosque and Islamic Community Centre has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and of Swansea Mosque and Islamic Community Centre. You consider that Swansea Mosque and Islamic Community Centre is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Swansea Mosque and Islamic Community Centre. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Chartered Accountants

Date: 14/1/24

## Swansea Mosque and Islamic Community Centre

### Independent Examiner's Report to the trustees of Swansea Mosque and Islamic Community Centre

I report to the trustees on my examination of the accounts of Swansea Mosque and Islamic Community Centre for the year ended 31 March 2023.

#### Responsibilities and basis of report

As the charity trustees of Swansea Mosque and Islamic Community Centre 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 Swansea Mosque and Islamic Community Centre'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.

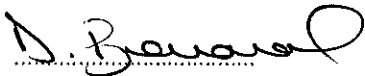
#### Independent examiner's statement

Since Swansea Mosque and Islamic Community Centre'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 ICAEW, 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 Swansea Mosque and Islamic Community Centre 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.



D Beniamous ~~FCCA~~  
Chartered Accountants  
ICAEW

4 High Street  
Pontardawe  
Swansea  
SA8 4HU

Date: 14/1/2024



**Swansea Mosque and Islamic Community Centre**

**(Registration number: 1105355)  
Balance Sheet as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	6	663,400	666,096
<b>Current assets</b>			
Cash at bank and in hand	7	19,945	8,989
<b>Creditors: Amounts falling due within one year</b>	8	(1,200)	(2,100)
<b>Net current assets</b>		18,745	6,889
<b>Total assets less current liabilities</b>		682,145	672,985
<b>Creditors: Amounts falling due after more than one year</b>	9	(99,500)	(124,500)
<b>Net assets</b>		582,645	548,485
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		582,645	548,485
<b>Total funds</b>	10	582,645	548,485

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 14/04/2024 and signed on their behalf by:



.....  
Mr Shahab Ali  
Chairman

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 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**

Swansea Mosque and Islamic Community Centre 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.

##### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

##### **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.

##### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### **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 are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **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.

#### **Trade creditors**

are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **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.

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### *Debt instruments*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## 2 Income from charitable activities

	Unrestricted funds		Total 2023 £
	General £	Other £	
Madrasah Income	74,066	-	74,066
Community Centre Donations	166,400	-	166,400
Gift Aid	14,974	-	14,974
Grants	138,112	-	138,112
Rental income	-	24,000	24,000
	393,552	24,000	417,552

	Unrestricted funds		Total 2022 £
	General £	Other £	
Madrasah Income	4,998	4,998	4,998
Community Centre Donations	240,885	240,885	240,885
Grants	73,470	73,470	73,470
	319,353	319,353	319,353

## 3 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	2,696	3,594

**Swansea Mosque and Islamic Community Centre**

**Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

**4 Trustees remuneration and expenses**

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

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Swansea Mosque and Islamic Community Centre

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 5 Taxation

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

#### 6 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2022	655,311	55,855	711,166
At 31 March 2023	655,311	55,855	711,166
<b>Depreciation</b>			
At 1 April 2022	-	45,070	45,070
Charge for the year	-	2,696	2,695
At 31 March 2023	-	47,766	47,766
<b>Net book value</b>			
At 31 March 2023	655,311	8,089	663,400

#### 7 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	17,995	7,039
Other cash and cash equivalents	1,950	1,950
	19,945	8,989

#### 8 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,200	2,100

#### 9 Creditors: amounts falling due after one year

	2023 £	2022 £
Qarda Hassana Loan	99,500	124,500

#### 10 Funds



**Swansea Mosque and Islamic Community Centre**

**Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<i>General</i>				
Unrestricted Funds	548,485	417,552	(383,392)	582,645
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<i>General</i>				
Unrestricted Funds	537,452	319,353	(308,320)	548,485

**11 Analysis of net assets between funds**

	Unrestricted funds General £	Total funds at 31 March 2023 £
Tangible fixed assets	663,400	663,400
Current assets	19,945	19,945
Current liabilities	(1,200)	(1,200)
Creditors over 1 year – Qarda Hassana Loan	(99,500)	(99,500)
Total net assets	582,645	582,645
	Unrestricted funds General £	Total funds at 31 March 2022 £
Tangible fixed assets	666,096	666,096
Current assets	8,989	8,989
Current liabilities	(2,100)	(2,100)
Creditors over 1 year – Qarda Hassana Loan	(124,500)	(124,500)
Total net assets	548,485	548,485

## Swansea Mosque and Islamic Community Centre

### Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	393,552	319,353
Other income (analysed below)	24,000	-
Total income	<u>417,552</u>	<u>319,353</u>
<b>Expenditure on:</b>		
Food bank (analysed below)	(3,009)	(6,778)
Charitable expenditure (analysed below)	(380,475)	(301,628)
Total expenditure	<u>(383,484)</u>	<u>(308,406)</u>
Other income	92	86
<b>Net Surplus for the year</b>	<u>34,160</u>	<u>11,033</u>
Net movement in funds	34,160	11,033
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>548,485</u>	<u>537,452</u>
Total funds carried forward	<u>582,645</u>	<u>548,485</u>

**Swansea Mosque and Islamic Community Centre**

**Detailed Statement of Financial Activities for the Year Ended 31 March 2023  
(continued)**

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<i>Donations, legacies and grant income</i>		
Madrasah Income	74,066	4,998
Community Centre Donations	166,400	240,885
Gift Aid	14,974	-
Grants received	138,112	73,470
	393,552	319,353
<i>Other income</i>		
Rental income	24,000	-
	24,000	-
<b>Total Income</b>	<b>417,552</b>	<b>319,353</b>
 <i>Food bank</i>		
Food bank purchases	(3,009)	(6,778)
	(3,009)	(6,778)
<b>GROSS PROFIT</b>	<b>414,543</b>	<b>312,575</b>
Wages and salaries	(103,651)	(78,507)
Staff pensions (Defined contribution) - pension scheme 1	(1,344)	(1,912)
Staff training	(250)	(452)
Water rates	(3,900)	(1,484)
Light, heat and power	(21,552)	(20,393)
Insurance	(7,878)	(3,789)
Repairs and maintenance	(112,052)	(20,688)
Radio replacements and maintenance	(3,174)	(1,755)
Residential flats development	(85,321)	(155,681)
Telephone	(1,156)	(1,294)
Computer software and IT Costs	(5,388)	-
Printing, postage and stationery	(3,924)	(3,775)
ICO charges	(40)	(10)
Charitable donations - CAP Foundation	(2,741)	-
Vending machine rental (coffee machine)	(738)	(738)
Coffee machine refreshments	(1,481)	(1,317)
Sundry expenses	(2,247)	(2,852)
Cleaning products	(4,471)	(479)
Ramadan Expenses	(12,597)	-
Bank charges	(894)	(588)

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

Depreciation of plant and machinery	(1,062)	(1,415)
Depreciation of fixtures and fittings	(1,634)	(2,179)
Accountancy fees	(1,380)	(1,320)
Legal and professional fees	(1,600)	(1,000)
<b>Total Expenditure</b>	<u>(380,475)</u>	<u>(301,628)</u>
Loyalty reward from bank	<u>92</u>	<u>86</u>
<b>NET SURPLUS FOR THE FINANCIAL YEAR</b>	<u><b>34,160</b></u>	<u><b>11,033</b></u>

