

Charity Registration No. 1180288

Company Registration No. 11315334 (England and Wales)

HAAYA FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
PAGES FOR FILING WITH REGISTRAR

HAAYA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Miah
	P Safdar
	S Minhas
	H R Khan
	M A Kalam
	M I Hamid
Charity number	1180288
Company number	11315334
Registered office	4-6
	Hanworth Road
	Hounslow
	England
	TW3 1UA
Independent examiner	AGP Consulting
	Q West
	Great West Road
	Brentford
	TW8 0GP

HAAYA FOUNDATION

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HAAYA FOUNDATION

REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The trustees present their report and financial statements for the year ended 30 September 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: 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) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to advance the Islamic faith for the public benefit by the provision, maintenance and management of a mosque and ancillary premises to include the provision of educational and religious classes.

There has been no change in these during the year.

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

The trustees confirm that they have referred to the Charity Commissions' general guidance on Public Benefit when reviewing and shaping the charity's aims and objectives. The charity works to ensure that its programs are inclusive, accessible and responsive to the needs of the beneficiaries.

Achievements and performance

During the year the charity has made a number of appeals and arranged a number of fundraising dinners.

There has been no outsourced fund raising via professional fundraisers or other third parties. As a result the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Financial review

The results for the Period are set on page 4.

It is the policy of the charity 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 charity'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.

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

The main risk is the shortfall in funding. All the funding's are from donations and interest free loans. The Trustees continue to secure further donations to cover the future operating cost of the mosque.

The trustees will continue to increase the social presence of the Mosque and Community Centre.

Structure, governance and management

The charity is a company limited by guarantee. The charity is governed by its Memorandum and Articles of Association and managed by a board of Trustees.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

S Miah
P Safdar

HAAYA FOUNDATION

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

S Minhas
H R Khan
M A Kalam
M I Hamid

The trustees are not remunerated for their services to the charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

During the year the mosque was under construction the charity had no permanent members of staff. All administrative tasks were carried out by the trustees, who are also the key management personnel of the charity. The trustees are not remunerated for their services to the charity.

The report was approved by the Board of Trustees.

S Minhas
Trustee
Dated: 29 June 2021

HAAYA FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAAYA FOUNDATION

I report to the trustees on my examination of the financial statements of Haaya Foundation (the charity) for the year ended 30 September 2020.

Responsibilities and basis of report

As the trustees of the charity (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 financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 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 financial statements to be reached.

Faroque Ahmed BA (Hons), FCA, BFP

AGP Consulting
Chartered Accountants
Q West
Great West Road
Brentford
TW8 0GP

Dated: 29 June 2021

HAAYA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
Income from:							
Donations and legacies	3	176,646	-	176,646	37,990	731,004	768,994
Investments	4	14,045	-	14,045	11,060	-	11,060
Total income		<u>190,691</u>	<u>-</u>	<u>190,691</u>	<u>49,050</u>	<u>731,004</u>	<u>780,054</u>
Expenditure on:							
Raising funds	5	-	-	-	-	14,260	14,260
Charitable activities	6	33,946	24,054	58,000	35,636	58,130	93,766
Other	10	1,687	-	1,687	3,353	-	3,353
Total resources expended		<u>35,633</u>	<u>24,054</u>	<u>59,687</u>	<u>38,989</u>	<u>72,390</u>	<u>111,379</u>
Net gains/(losses) on investments	11	-	-	-	-	(108,300)	(108,300)
Net income/(expenditure) for the year/ Net movement in funds		155,058	(24,054)	131,004	10,061	550,314	560,375
Fund balances at 1 October 2019		<u>10,061</u>	<u>550,314</u>	<u>560,375</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at 30 September 2020		<u><u>165,119</u></u>	<u><u>526,260</u></u>	<u><u>691,379</u></u>	<u><u>10,061</u></u>	<u><u>550,314</u></u>	<u><u>560,375</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HAAYA FOUNDATION

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12	927,086		930,946	
Investment properties	13	415,000		415,000	
		<u>1,342,086</u>		<u>1,345,946</u>	
Current assets					
Cash at bank and in hand		22,603		116,341	
Creditors: amounts falling due within one year	14	<u>(30,712)</u>		<u>(29,412)</u>	
Net current (liabilities)/assets			(8,109)		86,929
Total assets less current liabilities			<u>1,333,977</u>		<u>1,432,875</u>
Creditors: amounts falling due after more than one year	15		(642,598)		(872,500)
Net assets			<u><u>691,379</u></u>		<u><u>560,375</u></u>
Income funds					
Restricted funds			526,260		550,314
Unrestricted funds			165,119		10,061
			<u><u>691,379</u></u>		<u><u>560,375</u></u>

HAAYA FOUNDATION

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29 June 2021

S Minhas
Trustee

Company Registration No. 11315334

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Charity information

Haaya Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 4-6, Hanworth Road, Hounslow, TW3 1UA, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

As a result of COVID-19 the government imposed a mandatory lockdown between end of March 2020 to June 2020, meant that the mosque did not have congregation as such there was no donations and collections made.

The trustees have considered the effect of the COVID-19 outbreak and considers that it is unlikely to cause a significant disruption to the charity's activities.

The trustees are confident that the charity can continue as a going concern for a period of at least 12 months from the approval of these financial statements. The trustees also consider that the charity has adequate reserves and resources that would allow it to meet its obligations and debt as they fall due.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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 financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

A liability is recognised when either a legal or constructive obligation is identified. Irrecoverable VAT is classified in the same way as the transaction to which it relates.

Cost of generating funds are those incurred in attracting voluntary income, in particular donations and the cost of maintaining the charity's profile within the sector.

Costs relating to the running of the mosque are those directly incurred in performing these activities.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitution and statutory requirements.

Support costs comprises cost incurred directly in support of expenditure on the objects of the charity and allocated to the appropriate charity activities.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - straight line
Fixtures and fittings	33% - straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020	2019	2019	2019
	£	£	£	£
Donations and gifts	176,646	37,990	731,004	768,994

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Rental income	14,043	11,060
Interest receivable	2	-
	<u>14,045</u>	<u>11,060</u>

5 Raising funds

	Total	Restricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Cost of raising funds (venue hire, speakers, advertising etc)	-	14,260
	<u>-</u>	<u>14,260</u>

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

6 Charitable activities

	Running of the Mosque	Expenses relating to the purchase of the mosque	Total 2020	Total 2019
	2020 £	2020 £	£	£
Depreciation and impairment	5,423	-	5,423	4,916
Consultancy	49	-	49	9,746
Repairs and maintenance	7,233	15,788	23,021	54,781
Legal and professional	3,300	-	3,300	4,087
Rates	1,650	-	1,650	990
Light and heat	(576)	-	(576)	252
Postage	177	-	177	120
Insurance	2,450	-	2,450	1,829
Service cost on Qard Hasana	8,266	-	8,266	5,700
Iftar	4,128	-	4,128	-
	<u>32,100</u>	<u>15,788</u>	<u>47,888</u>	<u>82,421</u>
Share of support costs (see note 7)	8,312	-	8,312	5,045
Share of governance costs (see note 7)	1,800	-	1,800	6,300
	<u>42,212</u>	<u>15,788</u>	<u>58,000</u>	<u>93,766</u>
Analysis by fund				
Unrestricted funds	33,946	-	33,946	35,636
Restricted funds	8,266	15,788	24,054	58,130
	<u>42,212</u>	<u>15,788</u>	<u>58,000</u>	<u>93,766</u>
For the year ended 30 September 2019				
Unrestricted funds	35,636	-		35,636
Restricted funds	5,700	52,430		58,130
	<u>41,336</u>	<u>52,430</u>		<u>93,766</u>

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Bank charges	2,206	-	2,206	1,239	-	1,239
Printing, stationary and advertising	3,678	-	3,678	1,285	-	1,285
IT related expenses	2,127	-	2,127	279	-	279
General expenses	301	-	301	2,242	-	2,242
Audit fees	-	-	-	-	4,800	4,800
Accountancy	-	1,800	1,800	-	1,200	1,200
Legal and professional	-	-	-	-	300	300
	<u>8,312</u>	<u>1,800</u>	<u>10,112</u>	<u>5,045</u>	<u>6,300</u>	<u>11,345</u>
Analysed between						
Charitable activities	<u>8,312</u>	<u>1,800</u>	<u>10,112</u>	<u>5,045</u>	<u>6,300</u>	<u>11,345</u>

Governance costs includes payments to the auditors of £nil (2019 : £4,800) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

10 Other

	Unrestricted funds	Unrestricted funds
	2020	2019
Expenses relating to investment property	1,687	3,353
	<u>1,687</u>	<u>3,353</u>

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

11 Net gains/(losses) on investments

	Total	Restricted funds
	2020	2019
	£	£
Revaluation of investment properties	-	(108,300)

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 October 2019	933,113	2,749	935,862
Additions	-	1,563	1,563
At 30 September 2020	933,113	4,312	937,425
Depreciation and impairment			
At 1 October 2019	4,000	916	4,916
Depreciation charged in the year	4,000	1,423	5,423
At 30 September 2020	8,000	2,339	10,339
Carrying amount			
At 30 September 2020	925,113	1,973	927,086
At 30 September 2019	929,113	1,833	930,946

13 Investment property

	2020
	£
Fair value	
At 1 October 2019 and 30 September 2020	415,000

Investment property comprises a residential property. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 3rd April 2020 by A T & G Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The trustees are in the opinion that the fair value of investment property has not changed since the last valuation in April 2020.

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

13	Investment property	(Continued)					
				2020	2019		
				£	£		
	Freehold			415,000	415,000		
	Long leasehold			-	-		
	Short leasehold			-	-		
				=====	=====		
14	Creditors: amounts falling due within one year			2020	2019		
				£	£		
	Other creditors			23,112	23,112		
	Accruals and deferred income			7,600	6,300		
				=====	=====		
				30,712	29,412		
				=====	=====		
15	Creditors: amounts falling due after more than one year			2020	2019		
				£	£		
	Other creditors			642,598	872,500		
				=====	=====		
16	Analysis of net assets between funds						
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		funds	funds		funds	funds	
		2020	2020	2020	2019	2019	2019
		£	£	£	£	£	£
	Fund balances at 30						
	September 2020 are						
	represented by:						
	Tangible assets	927,086	-	927,086	930,946	-	930,946
	Investment properties	415,000	-	415,000	415,000	-	415,000
	Current assets/(liabilities)	(8,109)	-	(8,109)	86,929	-	86,929
	Long term liabilities	(642,598)	-	(642,598)	(872,500)	-	(872,500)
		=====	=====	=====	=====	=====	=====
		691,379	-	691,379	560,375	-	560,375
		=====	=====	=====	=====	=====	=====
17	Related party transactions						

HAAYA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

17 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Hounslow Asian and African Youth Association has paid £nil (2019: £8,000) toward the purchase of the freehold property. They have also collected £nil (2019:£614,000) of donations on behalf of the charity and then transferred this amount during October 2018.

As at the period end the balanced owed to Hounslow Asian and African Youth Associations is £23,112 (2019: £23,112)

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.