

Charity Registration Number (England and Wales): 1065784

MUSLIM ACADEMIC TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2021

MUSLIM ACADEMIC TRUST

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MUSLIM ACADEMIC TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Charity number (*England and Wales*) 1065784

Board of trustees

S Bhatti
N Winter
T Winter

Bankers

Barclays Bank Plc
Whetstone and Finchley Branch
1250 Whetstone
London
N20 0PB

Independent examiner

G Williams, Premier FD Limited
51 Cardiff Road
Bedfordshire
LU1 1PP

Registered address

4 Hill Farm View
Station Road
Dullingham
Newmarket
CB8 3FF

MUSLIM ACADEMIC TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2021

The Trustees present their Annual Report and Financial Statements for the year ended 30 November 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the Charities Act 2011, applicable laws, 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 United Kingdom and Republic of Ireland (FRS 102).

Aims and objectives of the charity

The charity is governed by a Declaration of Trust dated 1 November 1996, and a Supplemental Deed to the Declaration of Trust, dated 1 July 1997.

The aims and objectives of the charity are to advance, support and promote the study and understanding of the Islamic Faith through the creation and maintenance of religious and educational institutions for this purposes; through support of the religious and general education of Muslim students; and through the protection, preservation, study, translation and dissemination of the intellectual heritage and literary works of Imam Abu Hamid al-Ghazali; and through the sponsorship and free or subsidised distribution of the said literary work and other literary work bearing on Islam.

The Trustees seek to further these objects by subsidising and otherwise supporting students, publishing and disseminating religious literature, engaging in the production of films for television broadcast, and by other educational and religious activities, providing that these be commensurable with the Objects.

The charity carries out a small amount of primary purpose trading in the form of books and other publications.

Constitution and governance

The charity is governed by a board of Trustees which meet at least once a year, and is responsible for the preparation of annual accounts. New Trustees may be appointed by unanimous vote of trustees at the Annual General Meeting. All significant decisions are the sole responsibility of the trustees, although day-to-day running of the charity is delegated.

All trustees have the relevant skills and experience to drive the charity forward but if any trustees require further training then this is provided to ensure they maintain their effectiveness.

The Trustees, at their Annual General Meeting, review existing grant policies and consider and approve new policies. Various media are employed to draw the attention of potential applicants, who are invited to submit a detailed formal proposal. All proposals are considered by the Trustees jointly.

Trustees

The Trustees who served during the year, and also being the key management personnel, were as follows:-

- S Bhatti
- N Winter
- T Winter

Review of the activities during the year

The major activity during the year was fundraising for the proposed new mosque at 309-313 Mill Road, Cambridge. The construction of the mosque was completed in March 2021. The official opening ceremony was held in December 2021 www.cambridgecentralmosque.org. Work continued on the art and calligraphy auction, and our third collection was launched on 15th November 2021 offering an even more ambitious and diverse collection of Islamic art from worldwide contributors to continue to support Europe's first eco-mosque and to ensure its longevity for future generations.

Work also continued on the Travelling Light DVD productions.

COVID 19 Pandemic had no effect, and continues to have no effect, on the activities of the Trust.

MUSLIM ACADEMIC TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2021

Financial review, including statement on going concern and policy on reserves

Total incoming resources were £44,481 (2020: £76,281) and expenditure amounted to £61,776 (2020: £15,886) resulting in a net deficit of £17,295 (2020: surplus of £60,395). The deficit in 2021 was largely due to a donation to the new Cambridge Mosque (The Cambridge Mosque Trust, Charitable Incorporated Organisation number CE005909).

Unrestricted reserves were £13,045 down from £16,140, and an additional £378,640 was held in restricted reserves (see note 11 for details).

It is the charity's policy to maintain an appropriate level of financial reserves to ensure that it is able to meet its financial obligations.

The Trustees are confident that the Charity can continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Use of volunteers

Fund raising activities and website updates are all carried out by volunteers. It is estimated that approximately two regular volunteers donated one day per month of their time freely to achieving the charities objectives.

Plans for Future Periods

The Trust will continue to work towards the publication of the book titles it is committed to release, using non-reserved funds. The Travelling Light DVDs would continue to be released with further support from donors.

The undertaking of the project for the new Cambridge Mosque has required that the Trust's operations be almost entirely reserved to that end. The Trustees made a grant of £50,000 during the year to the Trust. Muslim Academic continues its earlier functions of student support and the publication of books and audio-visual products, in addition to fundraising for the new mosque.

Public Benefit Statement

The Trust exists to further religion and education with a particular emphasis on the intellectual and ethical heritage of the works of Abu Hamid al-Ghazali (d.1111). This legacy emphasises societal cohesion and the cultivation of personal excellence, with an accent on scholarship. To this end the Trust has supported students and publications; more recently it has promoted an Islamic Centre in Cambridge, comprising a mosque and a social outreach and education programme to be rooted in al-Ghazali's vision of a strong and spiritually cohesive society, promoting interfaith understanding and the cultural development of Muslim and other communities.

Risk Management

The Trustees have reviewed the major risks to which the charity is exposed, which in summary: -

- 1) The Trustees have considered the risk of not being able to achieve an adequate funds to complete the publication of the remaining al-Ghazali books.
- 2) These risks associated with cash donations: The charity does not accept any material cash donations.
- 3) COVID 19 – continued impact of the pandemic on donations and fundraising.

MUSLIM ACADEMIC TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2021

Statement of Trustees' responsibilities

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the charity 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 operation.

The Trustees are responsible for keeping proper accounting records which 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved and authorised for issue by order of the Board of Trustees and signed on its behalf by



.....
S Bhatti
Trustee

26th September 2022

MUSLIM ACADEMIC TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSLIM ACADEMIC TRUST

I report to the trustees on my examination of the accounts of Muslim Academic Trust (the Trust) for the year ended 30th November 2021, which are set out on pages 6 to 15.

Responsibilities and basis of report

As the charity trustees of the Trust, 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 Trustee'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 2011 Act.

Independent examiner's statement

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 the Trust 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 applicable 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.



Gavin Williams
Independent Examiner
Premier FD Limited, 51 Cardiff Road, Bedfordshire, LU1 1PP



27th September 2022

MUSLIM ACADEMIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 NOVEMBER 2021

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| Voluntary income (donations) | 2 | - | 42,976 | 42,976 | 64,339 |
| Incoming resources from charitable activities | 3 | | | | 823 |
| Other income | | 1,392 | 113 | 1,505 | 11,119 |
| | | | | | |
| Total incoming resources | | 1,392 | 43,089 | 44,481 | 76,281 |
| | | | | | |
| Resources expended | | | | | |
| Cost of generating funds | | - | 562 | 562 | 562 |
| Charitable activities: | | | | | |
| - Education | 4 | 4,487 | 56,727 | 61,214 | 15,324 |
| | | | | | |
| Total resources expended | | 4,487 | 57,289 | 61,776 | 15,886 |
| | | | | | |
| Net movement in funds | | (3,095) | (14,200) | (17,295) | 60,395 |
| Transfers | | - | - | - | - |
| Funds balance brought forward | | 16,140 | 392,840 | 408,980 | 348,585 |
| | | | | | |
| Funds balance carried forward | | 13,045 | 378,640 | 391,685 | 408,980 |

The notes on pages 8 to 15 form part of these financial statements

The charity has no recognised gains and losses other than those included above.

The above results are derived from continuing activities

MUSLIM ACADEMIC TRUST

BALANCE SHEET AS AT 30 NOVEMBER 2021

| | | 2021 | | 2020 | |
|---|-------|----------------|----------------|----------------|----------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | - | | - |
| Current assets | | | | | |
| Debtors | 9 | 4,923 | | 3,815 | |
| Cash at bank and in hand | | 400,972 | | 414,890 | |
| | | <u>405,895</u> | | <u>418,705</u> | |
| Creditors: amounts falling due within one year | 10 | (14,210) | | (9,725) | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 391,685 | | 408,980 |
| | | | <u></u> | | <u></u> |
| Net assets | | | 391,685 | | 408,980 |
| | | | <u><u></u></u> | | <u><u></u></u> |
| FUNDS | | | | | |
| Income funds | | | | | |
| Unrestricted funds | | 13,045 | | 16,140 | |
| Restricted funds | | 378,640 | | 392,840 | |
| | | <u></u> | | <u></u> | |
| | 12 | | 391,685 | | 408,980 |
| | | | <u><u></u></u> | | <u><u></u></u> |

The notes on pages 8 to 15 form part of these financial statements

These financial statements were approved by the Board of Trustees on 26th September 2022 and signed on behalf by: -


 S Bhatti
 Trustee

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1 Accounting policies

The principal accounting policies adopted are laid out below.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Muslim Academic Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.3 Income

Voluntary income and donations are accounted for as received by the charity. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs. No permanent endowments have been received in the period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest received by the bank.

1.4 Expenditure

Resources expended are included in the Statement of Financial Activities on an accrual's basis, included of any VAT which cannot be recovered.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

Governance costs includes those costs incurred in carrying out the statutory and constitutional requirements of the charity.

1.5 Fixed assets and depreciation

The charity has no fixed assets (2020: £nil)

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value where net realisable value is based on estimated selling price less cost of disposal. Slow moving stock is written off on an annual basis. All stock has been written down.

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

2 Voluntary income (donations)

| | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Total funds 2020 £ |
|----------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Individual donations | - | 26,223 | 26,223 | 16,094 |
| Islamic Art Sale | - | 16,753 | 16,753 | 48,245 |
| | - | 42,976 | 42,976 | 64,339 |

3 Incoming resources from charitable activities and other income

| | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Total funds 2020 £ |
|--|----------------------------|--------------------------|--------------------------|--------------------------|
| Sales of books/ publications/ DVDs | 1,392 | - | 1,392 | 823 |
| Miscellaneous income (investment income) | - | 113 | 113 | 11,119 |
| | 1,392 | 113 | 1,505 | 11,942 |

4 Charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Total funds 2020 £ |
|---|----------------------------|--------------------------|--------------------------|--------------------------|
| Cost of publications | 4,053 | 364 | 4,417 | 13,632 |
| Distribution and storage | 284 | 4,983 | 5,267 | 177 |
| Unrestricted charitable grant to The Cambridge Mosque Trust | - | 50,000 | 50,000 | - |
| Support costs | - | 30 | 30 | 15 |
| Governance costs (note 5) | 150 | 1,350 | 1,500 | 1,500 |
| | 4,487 | 56,727 | 61,214 | 15,324 |

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

5 Governance costs

Governance costs include Independent Examination and accountancy fees of £1,500 (2020: £2,000).

6 Support costs

| | Unrestricted funds £ | Restricted funds £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Bank charges | - | 30 | 30 | 15 |
| Other | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 30 | 30 | 15 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

7 Staff & trustees

There were no employees during the year or previous year.

No trustees or members of the management committee (Senior Management Personnel) received remuneration or expenses during the year or previous year.

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

8 Tangible fixed assets

There were no fixed assets at the year-end or previous year end.

9 Debtors

| | 2021 £ | 2020 £ |
|-------------|-----------|-----------|
| Prepayments | - | - |
| Other | 4,923 | 3,815 |
| | <hr/> | <hr/> |
| | 4,923 | 3,815 |
| | <hr/> | <hr/> |

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

10 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|---------------|--------------|
| Accruals and deferred income | 12,710 | 8,225 |
| Other | 1,500 | 1,500 |
| | <u>14,210</u> | <u>9,725</u> |

11 Statement of funds – current year

| | At 1 November 2020 £ | Incoming resources £ | Expenditure £ | Transfers £ | At 30 November 2021 £ |
|--------------------------|-------------------------------|----------------------------|------------------|----------------|--------------------------------|
| Unrestricted funds | | | | | |
| - Unrestricted | 16,140 | 1,392 | (4,487) | - | 13,045 |
| Restricted funds | | | | | |
| - Educational activities | 392,420 | 43,089 | (57,289) | - | 378,220 |
| - Zakat fund | 420 | - | - | - | 420 |
| | <u>408,980</u> | <u>44,481</u> | <u>(61,776)</u> | <u>-</u> | <u>391,685</u> |

12 Statement of funds – prior year

| | At 1 November 2019 £ | Incoming resources £ | Expenditure £ | Transfers £ | At 30 November 2020 £ |
|--------------------------|-------------------------------|----------------------------|------------------|----------------|--------------------------------|
| Unrestricted funds | | | | | |
| - Unrestricted | 8,188 | 11,836 | (3,884) | - | 16,140 |
| Restricted funds | | | | | |
| - Educational activities | 339,977 | 64,445 | (12,002) | - | 392,420 |
| - Zakat fund | 420 | - | - | - | 420 |
| | <u>348,585</u> | <u>76,281</u> | <u>(15,886)</u> | <u>-</u> | <u>408,980</u> |

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 30 NOVEMBER 2021*

Transfers

A transfer was made from unrestricted funds to restricted funds to make good a deficit on Travelling Light DVD publications.

Educational activities

The main activity during the year comprised administration of Islamic art, used to support the development on the new Cambridge Central Mosque, as described in the Trustees Report.

Zakat fund

The Zakat fund represents money received for expenditure on Zakat causes, as restricted by Islamic law.

MUSLIM ACADEMIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

13 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ |
|---------------------|----------------------------|--------------------------|--------------------|
| Fixed assets | - | - | - |
| Current assets | 18,695 | 387,200 | 405,895 |
| Current liabilities | (5,650) | (8,560) | (14,210) |
| | <hr/> | <hr/> | <hr/> |
| | 13,045 | 378,640 | 391,685 |
| | <hr/> | <hr/> | <hr/> |

14 Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 30th November 2021.

15 Controlling party

No individual member or trustee has overall control of the trust.