

MUSLIM COMMUNITY TRUST
324-326 High Road
Leyton
London
E10 5PW

Registered Charity Number: 1077341

Trustees report and financial statements
For the year ended 31 December 2023

MUSLIM COMMUNITY TRUST
Registered Charity Number: 1077341

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REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Muslim Community Trust
Charity Number	1077341
Registered office	324-326 High Road Leyton London E10 5PW
Trustees	Mr Rashid Malik Mr Ahmed Suleman Mr Nadeem Asim Mr Shaukat Hussain Buth
Bankers	TSB Bank Plc Leytonstone London
Independent Examiners	Siddiqui and Co. Chartered Certified Accountants 414 Barking Road London E13 8HJ

MUSLIM COMMUNITY TRUST
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TRUSTEES' ANNUAL REPORT

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023.

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is constituted as a charitable trust, governed by a Trust Deed, and is registered with the Charity Commission under charity number 1077341.

Organisational Structure and management

Muslim community trust is a UK based international relief and development agency registered.

Muslim community trust operates within an equal opportunities policy.

The trustees are responsible for the general control and management of the charity.

The trustees give their time freely and receive no remuneration or other financial benefits to fulfil this role.

The charity trustees meet on a quarterly basis and are responsible for all decision taken in relation to the overall control and strategic management of the charity.

The charity main activities are to provide relief to victims of natural disasters and manmade disasters worldwide regardless of color, race, and ethnicity.

The charity also facilitates rehabilitation back into communities by providing sustainable ad concentration on education and welfare projects.

Risk Management

Risks are assessed, identified, managed and constantly reviewed. A set of policies and procedures are developed to manage risks, which form the internal controls framework. The policies are set by the trustees and the implementations are delegated to the management team. The relevant policies and procedures are communicated to all staff and training is given where applicable. Periodic policy reviews are undertaken in order to ensure the internal controls framework remains relevant. The organisation has both employer liability and public liability insurance policies in place. All employees are put through appropriate Disclosure and Barring Service checks.

Objectives

The objectives of Muslim community trust primarily focus on fulfilling the spiritual and religious needs of the muslim community together with serving the community in general. The communities currently served are Greater London & East London in particular, but in future, will not be limited to London.

The objectives of Muslim community trust are summarised below:

- The relief of poverty in any part of the world.
- The relief of poverty, sickness and distress by the provision and maintenance of orphanages.
- The advancement of education by the provision and maintenance of schools and libraries.
- The advancement of the Islamic religion by the provision and maintenance of mosques, seminars, and other similar institutions.
- To promote such other charitable purpose as may from time to time determine.

Public Benefit

In carrying out this review the trustees of Muslim community trust have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

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ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Muslim community trust commenced offering a range of activities in pursuing its objectives stated above for public benefit. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally and nationally. We intend to expand on these activities in future.

Current Services – Madrasah (Islamic Educational classes)

The Academy is engaged in positive endeavors in trying to introduce the pristine message of Islam and to educate Muslims and non-Muslims alike on various aspects of the religion. Our current activities and services include:

- **Evening Madrasah (Islamic Educational classes)** - The Madrasah consists of approximately 120 children (both boys and girls) aged 6-16 who are taught a variety of subjects ranging from Qur'an, Aqeedah, Seerah, Fiqh, Akhlaq (Good Character) etc.
- **Hifdh (Qur'an memorisation) Class** – Muslim Community Trust has a Hifdh class operating weekdays and weekends. This course is designed to cater for each individual student according to his capabilities and potential, with an emphasis on the importance of Tajwīd (Qur'ānic Phonetics / Intonation) and rules of recitation. The syllabus has been prepared in a manner that will enable a student to memorise the entire Qur'ān (approximately over 6,000 verses) and retain it. Alongside the Hifdh, a lot of emphasis and training is given on spiritual and moral development, to ensure these children who will graduate as Huffadh will have the qualities and characteristics expected from a Hafidh.

The above classes cater for all types of children and have proven to be instrumental in safeguarding and enhancing the religious and moral well-being of the those who attend.

- **Tajweed classes** - This class enables the students to learn the correct pronunciation of the Arabic letters with all its qualities and adorn their recitation of the Glorious Qur'an with all the necessary rules.
- **Basic Islamic Education Classes** - The topics studied are the following:
 - **Aqeedah**: Studying the foundational beliefs of Islam.
 - **Fiqh**: Studying the rules pertaining to cleanliness and purity (Wudhu, Ghusl etc). Rules pertaining to worship, Salah, Fasting, Zakah & Hajj. Rules pertaining to Qurbani, Aqiqah etc.
 - **Sirah**: Taking the students on a journey through the blessed life of the greatest Prophet of Islam Muhammad (*may peace and blessings be upon him*).
 - **Hadith**: Studying the traditions of Prophet Muhammad (*may peace and blessings be upon him*).
- **Advanced Islamic Education Classes** - A more advanced level of Islamic education is imparted to the students corresponding with the study. The topics studied in this course are the following:
 - **Tafseer**: Studying selected Chapters of the Qur'an with detailed commentary giving an insight to various important content of the Glorious Qur'an.
 - **Hadeeth**: A number of chapters related to various aspects of a person's life are taught from Ma'arif-ul-Hadith with detailed commentary.
 - **Fiqh**: The classical book of Hanafi Fiqh, Nūr-ul-Īdāh is used as primary text to give an insight to basic every day rulings related to a person's cleanliness, Salaah, Fasting, Hajj etc.
 - **Aqeedah**: The fundamental beliefs of Islam are explained.

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– **Sirah:** The biography of the blessed life of Prophet Muhammad (*may peace and blessings be upon him*) is studied in detail.

There were 6 members of staff engaged in delivering the educational activities described above.

- **Religious and social advice** - The trust provides support and guidance to the community through the medium of email, phone and direct meetings.

EDUCATIONAL TRIPS & ACTIVITIES

- **Sports activities** - Fulfilling its objectives, Muslim Community Trust regularly organised sports events to local parks for the students and other days were spent on in-house fun educational activities.

HIGHLIGHTS OF THE YEAR

- **Fundraising**
The Charity has been fundraising from the community to fulfill the charity objectives.
- **Annual Prize Giving Jalsah**
The charity held prize giving and completion ceremonies every year. These events are open to the parents and public to allow them to remain informed of the trust's educational activities.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the laws applicable to charities in England and Wales. The financial statements for each financial year must give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources. 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 2016 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 Charity Accounts and Reports Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

Approved by the trustees on 15th April 2024 and signed on their behalf by:

Signature:



Full Name: Mr Shaukat Hussain Buth

Position: Trustee

Date:

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

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees, 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 Trust'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 the charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales, I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination, which gives me cause to believe that in any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did 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.

Q S Siddiqui FCCA
Siddiqui & Co.
Chartered Certified Accountants
414 Barking Road
London
E13 8HJ



Date: 16/04/2024

MUSLIM COMMUNITY TRUST
Registered Charity Number: 1120987

STATEMENTS OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and voluntary income		127,103	31,535	158,638	142,992
Fees and other collections		21,604	-	21,604	14,695
Books and radio sale income		200	-	200	790
Membership Fees		1,040	-	1,040	920
Rent Received		37,350	-	37,350	24,380
HMRC Gift Aid		5,370	-	5,370	-
		<u>192,667</u>	<u>31,535</u>	<u>224,202</u>	<u>183,777</u>
Total income					
Expenditure on:					
Donations and Human help relief		-	19,193	19,193	20,943
Salaries, NIC and sessional staffs		66,730	-	66,730	51,389
Light and heat		13,363	-	13,363	10,281
Water rates		1,070	-	1,070	1,889
Printing, Stationery, and publications		1,132	-	1,132	19
Insurance		2,225	-	2,225	2,065
Accountancy fee		500	-	500	500
Repairs, Maintenance and cleaning		3,789	-	3,789	2,244
Telephone and Internet		572	-	572	757
Bank charges and Cards Fee		857	-	857	-
Books/radio purchase and exam cost		2,333	-	2,333	1,894
Subscription fees		175	-	175	-
Depreciation		2,583	-	2,583	2,065
Other expenses		521	-	521	581
		<u>95,850</u>	<u>19,193</u>	<u>115,043</u>	<u>94,627</u>
Total expenditure					
Net income /(expenditure)		<u>96,817</u>	<u>12,342</u>	<u>109,159</u>	<u>89,150</u>
Net movement in funds for the year		<u>96,817</u>	<u>12,342</u>	<u>109,159</u>	<u>89,150</u>
Total funds at 1 January 2023/1 January 2022		1,491,414	-	1,491,414	1,402,264
Total funds at 31 December 2023/31 December 2022	7	<u>1,588,231</u>	<u>12,342</u>	<u>1,600,573</u>	<u>1,491,414</u>


The notes on pages 11 to 14 form part of these financial statements.

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BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	4	1,786,413	1,178,922
Total fixed assets		<u>1,786,413</u>	<u>1,786,922</u>
Current assets			
Debtors	5	-	-
Cash at bank and in hand		124,811	117,515
		<u>124,811</u>	<u>117,515</u>
Creditors: amounts falling due within one year	6	(310,651)	(413,023)
Net current assets		<u>(185,840)</u>	<u>(295,508)</u>
Net assets		<u>1,600,573</u>	<u>1,491,414</u>
Charity funds			
Restricted funds	7	12,342	-
Unrestricted funds	7	1,588,231	1,491,414
Total funds		<u>1,600,573</u>	<u>1,491,414</u>

The financial statements have been approved by the Board of Trustees on 15th April 2024 and were signed on its behalf by:


.....
Ahmed Suleman | Trustee

The notes on pages 11 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

a) General Information

Muslim Community Trust is a registered charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

b) Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include investment property at fair value.

The financial statements are prepared in Pound Sterling (£) which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

c) Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes.

d) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements in arriving at this conclusion.

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Notes to the financial statements for the year ended 31 December 2023

e) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key estimate/ judgement exercised in preparation of these financial statements is relating to useful life of the building acquired during the year.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the charity receives them.

Fees Income is recognised on actual basis.

g) Expenditure

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where cost cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

h) Taxation

The charity is exempt from tax on its charitable activities.

i) Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes any expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives as indicated below:

Fixture and fittings and equipment – 25% per annum on reducing balance

The assets residual values, useful lives and depreciation methods are reviewed annually.

j) Investment property

Investment property is shown at fair value. Any aggregate surplus or deficit arising from changes in the fair value is transferred to the statement of financial activities.

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Notes to the financial statements for the year ended 31 December 2023

k) Debtors

Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of future funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognized at their settlement amount after allowing for any trade discounts due. Creditors also include fees received in advance.

2. Trustees' and key management

The charity considers its key management personnel comprise of trustees.

The trustees did not receive any income or expenses reimbursed during the year 2023.

3. Staff costs

2023 **2022**

The average monthly number of employees during the year was as follows:

6

5

No employees received emoluments in excess of £60,000.

4. Tangible fixed assets

	Freehold Property	Improvement to Property	Fixture and Fittings	Total
Cost	£	£	£	£
At 1 January 2023	1,735,813	42,850	41,819	1,820,482
Additions:	-	-	2,075	2,075
At 31 December 2023	<u>1,735,813</u>	<u>42,850</u>	<u>43,894</u>	<u>1,822,557</u>
Depreciation				
At 1 January 2023			33,560	33,560
Additions during the period			2,584	2,584
At 31 December 2023			<u>36,144</u>	<u>36,144</u>
Net Book Value				
At 31 December 2023	<u>1,735,813</u>	<u>42,850</u>	<u>7,750</u>	<u>1,786,413</u>
At 31 December 2022	1,735,813	42,850	8,259	1,786,992

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Notes to the financial statements for the year ended 31 December 2023

5. Debtors

	2023	2022
	£	£
Other Debtors	-	-
Total	<u>-</u>	<u>-</u>

6. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other Creditors	500	1,500
Taxation and Social Security	151	1,697
Karze Hasana (Interest free loan)	310,000	409,826
	<u>310,651</u>	<u>413,023</u>

7. Statement of funds

	Brought Forward	Incoming Resources	Resources Expended	Carried Forward
	£	£	£	£
Restricted funds	-	31,535	(19,193)	12,342
Unrestricted funds	1,491,414	192,667	(95,850)	1,588,231
Total of funds	<u>1,491,414</u>	<u>224,202</u>	<u>(115,043)</u>	<u>1,600,573</u>