

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021.
FOR
QUR'ANI MURKUZ TRUST**

**aab Accountants Limited
72 South View Drive
London E18 1NS.**

QUR'ANI MURKUZ TRUST

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FOR THE YEAR ENDED 5 APRIL 2021.

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QUR'ANI MURKUZ TRUST

REPORT OF THE TRUSTEES AND

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021.

The Trustees present their report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 10 to 11 of the financial statements and comply with the Qur'ani Murkuz Trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) applicable in the UK (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objective and Activities

The objective of the Charity as set out in the Trust Deed dated 24 February 2000 (as amended) are summarised as follows:

- a) The advancement of religion in accordance with the tenets and doctrine of Islam by the provision of Mosques, publications of Islamic literature and religious education;
- b) To advance the education of the general public in the teachings, culture, traditions and practices of the Islamic faith;
- c) To benefit the public in such a manner as may be charitable by promotion of good relations between people of different nations and different faiths.

Our objectives are set out to reflect our faith and community aims. Each year our Trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit in particular, and its supplementary public guidance on the advancement of religion for the public benefit

Significant Activities

During the year the following activities were carried out to achieve the Charity's aims and objectives:

1. On 17 March 2020 some Trustees attended a meeting, at Albert Road Masjid, Ilford, organised by FORMO at which various professional speakers, doctors, lawyers, government representatives, local councilors etc. were present who strongly advised all faith leaders/trustees that due to the impending Covid pandemic all places of worship must close. On 18 March 2020 the Trustees held an emergency meeting and it was unanimously agreed that for the well-being of the congregation etc. to close the Masjid after Jumma on Friday 20 March 2020, this was similar to what other masjids in Redbridge were doing.
2. After the closure on 20 March 2020, subject to Covid 19 guidance from the local authority and national government and laws, the Masjid reopened for short periods during which we held the five daily prayers. Tarweeh prayers were not conducted during Ramadan 2020 and Eid ul Fitr prayers were not conducted as there was a lockdown due to the pandemic. Eid ul Adha prayers were conducted on 31 July 2020 as these were permitted.
3. On 7 August 2020 the Masjid was closed for the redevelopment of the Masjid. On 14 August 2020 the Masjid was demolished and the redevelopment commenced.
4. About six months prior to the closure of the masjid for the redevelopment, to cater for the congregation during the redevelopment the Trustees spent a lot of time in looking for alternative local venues for the five daily prayers but no suitable venue was available due to the changing times of salat. The Trustees reluctantly agreed that they could not provide a venue to conduct the five daily prayers during the redevelopment. The Trustees were successful in getting alternative venues for Jumma at Hawkey Hall and the United Reform Church on those few occasions that Hawley Hall was not available. This exercise was very time consuming and required a great deal of effort by all the Trustees. During certain Covid lockdowns in 2020 and early 2021 Jumma had to be suspended and recommenced as allowed by law.
5. To cater for the various Covid 19 safety regulations various members of the congregation donated and the Trustees purchased PPE for all staff and the congregation, such as masks, hand sanitizers, temperature guns and ensuring there was a two metre gap between musillis etc. This required the Trustees to spend considerable time in risk assessments and liaising with the local authority and others. The congregation were kept up date at all times by the website and WhatsApp Broadcast.
6. Religious educational evening and weekend classes for young children in our Young Muslims Academy. When the Masjid closed for the redevelopment and Covid lockdown, the Board of Trustees arranged online classes for the students. This was welcomed by the teachers, students and parents.

7. Classes for adults in English held regularly to enhance reading and understanding of the Qur'an and the teachings of the prophet Mohammed (may peace be upon him). Since the start of building works these classes were suspended and will resume on opening of the new Centre.
8. Lectures on religious, social and cultural topics held by invited scholars whilst the masjid was open.
9. Solemnizing Muslim and Civil marriages as allowed by covid restrictions.
10. Provision of marriage guidance counselling services and general counselling to Muslim individuals and families on various Islamic matters.
11. Where permitted by Covid regulations, chaplain visits to hospitals and prisons to provide pastoral care for Muslims.
12. Where permitted by Covid regulations local events to promote interfaith dialogue, co-hosted with other institutions of different faiths
13. Where permitted by Covid regulations police chaplaincy work offering independent welfare and spiritual care to officers and staff.
14. Where permitted by Covid regulations school chaplaincy work involving lectures at local schools, counselling students and teachers and delivering religious services.
15. Where permitted by Covid regulations lectures to both public and private institutions to increase understanding of Islam and Muslims, including Social Services, Rotary Clubs.
16. Member of FORMO, an organisation of Redbridge Muslim organizations, attended their online meetings.
17. As part of Redbridge Community Sponsorship Partnership, the Charity worked with local churches and sponsored a Syrian refugee family to settle in Redbridge in June 2019 under the Home Office community Sponsorship Scheme. The Charity, as Lead Sponsor continued to support the refugee family during the Pandemic and among other things arranged English classes for them and also offered online support.
18. Active member of Redbridge Three Faith Forum.

Volunteers

The Charity is grateful for the unstinting work of its volunteers who are involved in the provision of services and fundraising activities. The Trustees and volunteers give their time freely and do not receive remuneration or other financial benefits for doing so.

Achievement and Performance

The Charity was at the forefront of fundraising activities. The Charity uses funds raised to help the poor and needy around the world especially during the holy month of Ramadan.

The Charity provided training session for men and women to learn how to provide first aid and use of defibrillator to heart sufferers by the local doctors team called HEART START. These sessions had to be suspended due to pandemic restrictions.

The Young Muslim Academy normally holds special events of Eid party & prize giving to the children, but these events were suspended due to the pandemic.

The Young Muslim Academy had a busy schedule of activities including their special events on Eid party and prize day for those who excelled in their subject/class.

Visits from children and teachers from various local schools has become a regular feature where the Trustees and volunteers provide information about Islam and activities in the Masjid. The visiting school children also observed the Muslim prayers during their visit and were encouraged to ask questions to help them better to understand various aspects of their educational visits. These visits were suspended during the pandemic.

The Charity is an active and continuous supporter of the East London Three Faiths Forum. Dr. Fahim (the Chair of the Charity) and many Trustees regularly attended and contributed to various sessions of the Three Faiths Forum, of which some were held at the Charity's Centre.

The Charity's ladies wing has regular sessions for mothers and toddlers, educational programmes and health activities for women which are well attended. They also have a senior sisters club who regularly meet every week for coffee and local activities. These activities were suspended during lockdowns.

The Charity provides the opportunity to collect the obligatory annual alms offering (Zakat), on behalf of members of the congregation and arranges to send these funds to reputable charities to be used for qualifying purposes. The Centre does not make any charge for this nor does it receive any payment for it.

Before closing of the Centre for redevelopment, a coffee morning was held for McMillan Cancer Support to raise funds for them.

The Charity also extended help to other charitable institutions during the year and especially those affected by calamities such as flood victims, communities displaced by wars, earthquakes etc. The Charity regularly helps the local homeless shelter, Redbridge Mayor's Charity, the children's hospice - Haven House, and local League of Friends at Whipps Cross Hospital and King George Hospital.

Financial review

Reserves policy

Restricted funds are those specified for specific purposes such as Disaster/calamity fund raising, Mosque developments, specific religious donations (Fitr and Zakah) given by the Donors. The restricted fund balance as at 5 April 2021 stands at £2,402,084 (2020 - £2,020,025).

Risk management

The Trustees have assessed the major risks to which the Charity is exposed and in particular those relating to the operations and finances of the Charity. They are satisfied that appropriate controls are in place to provide reasonable assurance against fraud and error. Insurance cover is in place and the finances of the Charity are regularly reviewed. Appropriate DBS checks, supported by policies, are made for all those who work with children or other vulnerable groups.

Redevelopments

Further to approval of the Planning Consent by the local Council in April 2019, the Trustees engaged in fund raising for the redevelopment throughout 2020-2021. During the year (other than Ramadan 2020 when the masjid was closed and so fund raising could take place) substantial sums were pledged and paid in.

The Trustees continued with fund raising and collection of donations.

In early 2020 the Trustees had put out to tender the redevelopment of the Masjid. However, due to requests for extensions and difficulty in pricing the tender due to the Coronavirus lockdown the deadline for tenders was extended to 30 April 2020 for all bidders.

Tenders were received on 28 April 2020 from reputable and experienced companies ranging from £3.9m to £2.9m. After careful negotiations and taking professional advice and positive references from other masjids, a final price of £2.5m* was agreed with the chosen contractor NB Builders UK Ltd. The Trustees had hoped to get it lower but due to shortages and general price increases because of the Covid 19 it was not possible get further reductions. In the Trustees and their appointed quantity surveyors opinion this was the best price. *The final price did not include any contingency or the internal fit out costs, such as carpets, taps etc. which will need to be separately costed and budgeted.

The redevelopment commenced on 14 August 2020 and continued during the year subject to applicable covid restrictions which naturally caused delays. However, the builder was good and tried to make up for lost time, if possible.

Each month a valuation of the invoice(s) submitted by the builder is undertaken by the Charity's appointed Quantity Surveyor who certifies the works done before any payment is made to the builder or any other contractor.

During the period the congregation were kept up to date with the development via the website and WhatsApp Broadcasts, this included pictures and videos of the progress. In addition the updates included the amounts spent and shortfall in funds required.

The impact of the pandemic during 2020-21 affected the nation in different ways. As most organisations suffered with the lockdown restrictions, the Masjid was closed during various lockdowns before it was finally knocked down by the builders. While operating from Hawkey Hall on Fridays, it was ensured that the congregation complied with all the pandemic protocols including safe distancing, sanitising, face masks, own prayer mats, shoe bags etc. In addition, like all venues, the Trustees were required to keep a log of all attendees (for Covid tracing purposes) to Hawkey Hall etc. To facilitate this Trustees subscribed to a service where attendees scanned a QR code on their mobile phone and input their details.

The ancillary effect of the Covid closure was that after 19 March 2020, the Masjid was closed during Ramadan 2020 and so did not raise any funds during this important fund raising period. Fund raising was confined to Jumma prayers.

Structure, governance and management

Governing documents

Qur'ani Murkuz Trust, also known as "The South Woodford Islamic Centre", is constituted as a charitable trust registered with the Charity Commission on 29 June 2000 under charity number 1081317. It is controlled by its governing document, a Declaration of Trust dated 24 February 2000 (as amended) ("Trust Deed") and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

Pursuant to the Trust Deed, the Board is a self-appointing body. New trustees are appointed in an event of resignation, death or where the numbers fall below the minimum stipulated in the Trust Deed. In the event of an appointment the existing trustees are invited to nominate suitable candidates from among the community who are familiar with the work of the Charity and who the existing trustees feel can contribute to the Charity and agree who should be approached. If the candidate agrees then the Trustees invite him/her for an interview and then formally vote on the candidate. Induction and training of new trustees. As new trustees are chosen from among the local community, they are familiar with the work of the Charity hence there has not been, to date, a need to organize formal training sessions. However, all new trustees are given an orientation session where they are briefed on their obligations to the Charity and under the law. A number of publications from the Charity Commission are also provided including guidance on charities and public benefit and also on the advancement of religion for public benefit.

Organizational structure

The Board of Trustees meets at regular intervals and takes overall accountability for ensuring that the Charity complies with current legislation and the rules of the constitution. The Charity operates from a single office at the address above.

Related parties

Two of the Trustees and one employee are related to each other. The Trustees have taken a resolution to recognise the situation and adopted the policy that the two related Trustees will not take any part in any proceeding directly or indirectly when the personal affairs of the related employee are discussed. During the year no Trustees or other person related to the Charity had any contracts or transactions entered into by the Charity, except drawing salary by the caretaker.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Dr M. E. E. Fahim (Chairman)
Mr. Qaiser Malik (Secretary)
Mr. Ibrahim Salaam (Treasurer)
Mr. Saleem Malik
Mr. Liquat Khan
Dr. Ashraf Gaber
Mrs. Rukhsana Zafar
Ms. Sadia Anwar

ON BEHALF OF THE BOARD OF TRUSTEES

Q. M. Malik – Secretary and Trustee

28 January 2022.

QUR'ANI MURKUZ TRUST

BALANCE SHEET AS AT 5 APRIL 2021.

	Notes	2021	2020
		£	£
FIXED ASSETS	2	1,394,215	392,190
<u>CURRENT ASSETS</u>			
Sundry Debtors	3	212	8,750
Cash at Bank & in hand		1,018,674	1,689,219
		1,018,886	1,697,969
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	4	11,017	8,396
NET CURRENT ASSETS		1,007,869	1,689,573
CREDITORS : AMOUNTS FALLING DUE OVER ONE YEAR	4	0	0
TOTAL ASSETS LESS CURRENT LIABILITIES		2,402,084	2,081,763
		=====	=====
<u>CAPITAL & RESERVES</u>			
Unrestricted Funds		0	61,738
Restricted Funds		2,402,084	2,020,025
TOTAL FUNDS		2,402,084	2,081,763
		=====	=====

These financial statements were approved by the Board of Trustees on 28 January, 2022.

Signed on behalf of the Board of Trustees

I. Salaam

Treasurer (Trustee)

QURA'NI MURKUZ TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDING 5 APRIL 2021.

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
<u>Resources received</u>		
Donations (Unrestricted)	17,084	72,655
Donations (Restricted: Development)	351,617	850,668
Donations (Restricted: for outside QMT)	850	29,318
Donations (Syria Refugee Project)	25,070	0
Grants received(Employee)	33,391	21,904
Fees received	9,199	44,220
Profits received	2	791
	-----	-----
Total incoming resources	437,213	1,019,556
<u>Resources expended</u>		
Donations paid (Restricted)	0	8,900
Donations (Syria Refugee Project)	19,353	0
Hall hire	1,650	0
Salaries and Madrassa cost	48,329	87,815
Car park rent	21,000	21,000
Insurance	789	1,307
Repairs and renewals	690	4,783
Utilities	7,811	7,998
Phone, internet & website	258	514
Bank charges	1,830	2,714
General Expenses	1,587	2,494
Accountancy & Independent Report	8,710	6,200
Depreciation	4,885	2,745
	-----	-----
Total Resources Expended	116,892	146,470
	-----	-----
Net Incoming Resources	320,321	873,086
Surplus funds brought forward	2,081,763	1,208,677
	-----	-----
Surplus funds carried forward	2,402,084	2,081,763
	=====	=====

QURA'NI MURKUZ TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 5 APRIL 2021.

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These accounts have been prepared under the Charities Act 2011 on the historical cost convention and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities: The SORP 2005.

Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources can be measured with sufficient reliability.

Resources expended

Expenditure is accounted for on accrual basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff, time or space occupied, as appropriate.

The irrecoverable element of VAT is included with the item of expenses to which it relates. Governance costs comprise the cost associated with meeting the constitutional and strategic aims of the charity and the accountancy fees and costs linked to strategic management of the charity.

Fund Accounting

Restricted funds are used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds are used in accordance with the charitable objectives at the discretion of the Trustees.

TAXATION :

The Company by virtue of its charitable status is exempt from taxation.

INVESTMENT INCOME

Profit on Deposits

05.04.21

05.04.20

£2

£791

2. TANGIBLE ASSETS: Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

		<u>As at 05.04.20</u>	<u>Additions</u>	<u>Disposal</u>	<u>As at 05.04.21</u>
<u>Cost</u>	Freehold Properties	387,305	1,006,910	-	1,394,215
	Furniture, Fixtures & Fittings	25,077	-	(25,077)	-
	Equipment	5,889	-	(5,889)	-
		<u>418,271</u>	<u>1,006,910</u>	<u>(30,966)</u>	<u>1,394,215</u>
<u>Depreciation</u>	Freehold Properties	-	-	-	-
	Furniture, Fixtures & Fittings	22,804	2,273	(25,077)	-
	Equipment	3,277	2,612	(5,889)	-
		<u>26,081</u>	<u>4,885</u>	<u>(30,966)</u>	<u>-</u>
	<u>Net Book Value</u>				
	Freehold Properties	387,305			1,394,215
	Furniture, Fixtures & Fittings	2,273			-
	Equipment	2,612			-
		<u>392,190</u>	<u>-</u>	<u>-</u>	<u>1,394,215</u>
			<u>05.04.21</u>		<u>05.04.20</u>

3. DEBTORS : amounts due before and after 12 months 212 8,750

4. CREDITORS: AMOUNT DUE BEFORE & AFTER 12 MONTHS.

Sundry Creditors 11,017 8,396

5. CONTINGENT LIABILITIES There are no contingent liabilities at 5 April 2021.

6. RELATED PARTY TRANSACTIONS Dealt with in the Trustee Report.

7. AVERAGE NUMBER OF EMPLOYEES 10 13

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

REPORT TO THE TRUSTEES OF QURA'NI MURKUZ TRUST **ON ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2021.** **SET OUT ON PAGES 8 TO 11.**

I report to the trustees on my examination of the financial statements on pages 10 to 13 of Qurani Murkuz Trust (Charity no. 1081317) for the year ended 5 April 2021.

The report is solely made to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the 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 trustees as a body, for my examination, for this report, or for the opinion I have formed.

Responsibilities and basis of report.

As the Trustees of Qurani Murkuz trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

Having satisfied myself that the Financial Statements of the charity are not required to be audited under para 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Qurani Murkuz Trust's financial statements carried out under section 145 of 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 which gives me cause to believe that in, any material respect:

- 1) the accounting records were not kept in accordance with section 130 of the Charities Act., or
- 2) the financial statements did not accord with the accounting records; or
- 3) the financial statements 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 financial statements to be reached.

Signed: M M Rahman
MAAT
Firm AAB Accountants Ltd
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E18 1NS.