

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022.
FOR
QUR'ANI MURKUZ TRUST**

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

QUR'ANI MURKUZ TRUST

CONTENTS OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022.

	<u>Page</u>
Report of the Trustees	3 to 7
Balance Sheet	8
Statement of Financial Activities	9
Notes to the Financial Statements	10
Independent Examiner's Report	11

QUR'ANI MURKUZ TRUST

REPORT OF THE TRUSTEES

AND

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022.

The Trustees present their report and financial statements for the year ended 5 April 2022.

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 objects of the Charity as set out in the Trust Deed dated 24 February 2000 (as amended) are 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 objects are set out to reflect our faith and community aims. Each year the 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 public benefit.

Significant Activities

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

1. The masjid has been closed due to redevelopment since August 2020. Despite Covid restrictions the contractor was able to make good progress during the accounting period. For example, the basement had been dug out, piling undertaken, steel structure put up. By October 2021 the external wall block and brickwork was complete; roof had been completed; solar panels have been installed; plaster boarding the internal walls was about 50% complete; screeding on two floors had been completed; installation of two internal stairs to basement, first floor and to the flats had been completed; awaiting basement to be sealed and tanking to be done; double glazed windows had been installed apart from ground floor; half internal walls erected; and lift has been ordered. These and other works were ordered and substantially completed by the end of this accounting year which meant that the Masjid was able to reopen for Ramadan 2022 – also see 5, 6 and 7 below.

2. We regularly posted photos and videos of the work in progress on the WhatsApp Group, website, social media and kept the congregation updated with announcements at Jumma.
3. The Trustees continued holding Jumma at Hawkey Hall and the United Reform Church on those few occasions that Hawkey Hall was not available. The last Jumma held at Hawkey Hall was 1 April 2022. The Trustees are grateful to the management and staff of these venues for extending cooperation to the Trust in the best interests of community spirit.
4. During March 2022 a lot of work was done by the Trustees, volunteers, the contractor and others to get the building cleaned and the masjid ready for reopening for Ramadan by laying temporary carpets, painting the walls and ceilings, installing limited ablution facilities, temporary doors, AV system etc.
5. As Ramadan 2022 was anticipated for 2 April 2022 it was decided by the Trustees that the last Jumma prayers at Hawkey Hall will be held on Friday 1 April 2022 and from Saturday 2 April 2022 the new masjid would open and used for Taraweeh prayers and the five daily prayers.
6. The new masjid has been in use since 2 April 2022 and successfully provided prayer facilities during Ramadan 2022.
7. When the Masjid closed for Redevelopment and Covid lockdown, religious educational evening and weekend classes for young children in our Young Muslims Academy were suspended, the Board of Trustees then arranged online classes for the students. This was welcomed by the teachers, students and parents.
8. 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) were still suspended and will resume when more work has been completed.
9. Lectures on religious, social and cultural topics held by invited scholars were suspended during this period.
10. Solemnizing Muslim and Civil marriages (as allowed by Covid restrictions) were carried out by Dr Fahim, (Chair).
11. Provision of marriage guidance counselling services and general counselling to Muslim individuals and families on various Islamic matters (as allowed by Covid restrictions), and where possible these were carried out by Dr Fahim (Chair) online or by telephone.
12. Where permitted by Covid regulations, chaplain visits to hospitals and prisons to provide pastoral care for Muslims.
13. Where permitted by Covid regulations, local events promoting interfaith dialogue, co-hosted with other institutions of different faiths.
14. Where permitted by Covid regulations police chaplaincy work offering independent welfare and spiritual care to officers and staff.
15. Where permitted by Covid regulations school chaplaincy work involving lectures at local schools, counselling students and teachers and delivering religious services.
16. Where permitted by Covid regulations lectures to both public and private institutions to increase understanding of Islam and Muslims, including Social Services, Rotary Clubs.

17. Member of FORMO, an organisation of Redbridge Muslim organisations, attended their online meetings.

18. An active member of Redbridge Three Faith Forum, online meetings were attended.

19. The congregation was very generous with its donations despite the masjid being closed until 2 April 2022 and Covid. As a result of this the Trustees did not need to take any qard e hasna (interest free loans) from anyone, although many offers were received.

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

Despite Covid and the masjid being closed, the Trustees and volunteers successfully raised substantial funds to undertake the redevelopment without the need of any external assistance or qard e hasna. Most of the funds were raised at Jumma and during the holy month of Ramadan. This resulted in the project running smoothly without lost periods as the contractor was paid on time.

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 is an active and continuous supporter and member of the East London Three Faiths Forum. Dr. Fahim (the Chair of the Charity) and many Trustees regularly participated (in person or online) and contributed to various sessions of the Three Faiths Forum.

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.

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, masjid developments, specific religious donations (Fitr and Zakah) given by the Donors. The restricted fund balance as at 5 April 2022 stands at £3,222,793 (2021 - £2,402,084).

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.

Redevelopment

Further to approval of the Planning Consent by the local Council in April 2019, the Trustees and volunteers engaged in fund raising for the redevelopment throughout the accounting period. During the year substantial sums were pledged and the majority paid.

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

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.

Structure, governance and management

Governing documents

Qur'ani Murkuz Trust, also known as "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 the vote is taken 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. Several publications from the Charity Commission are also provided including guidance on charities and public benefit and 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 people 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:

Trustees

Dr.M.E.E.Fahim (Chair)
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

3 February 2023.

QUR'ANI MURKUZ TRUST

BALANCE SHEET AS AT 5 APRIL 2022.

	Notes	<u>2022</u>	<u>2021</u>
		£	£
FIXED ASSETS	2	3,070,062	1,394,215
<u>CURRENT ASSETS</u>			
Sundry Debtors	3	927	212
Cash at Bank & in hand		196,997	1,018,674
		<u>197,924</u>	<u>1,018,886</u>
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	4	9,193	11,017
		<u>188,731</u>	<u>1,007,869</u>
NET CURRENT ASSETS		188,731	1,007,869
CREDITORS : AMOUNTS FALLING DUE OVER ONE YEAR	4	0	0
		<u>3,258,793</u>	<u>2,402,084</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,258,793	2,402,084
		<u>=====</u>	<u>=====</u>
<u>CAPITAL & RESERVES</u>			
Unrestricted Funds		36,000	0
Restricted Funds		3,222,793	2,402,084
		<u>3,258,793</u>	<u>2,402,084</u>
TOTAL FUNDS		3,258,793	2,402,084
		<u>=====</u>	<u>=====</u>

These financial statements were approved by the Board of Trustees on 3 February, 2023.

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 2022.

	<u>2022</u>	<u>2021</u>
<u>Resources received</u>	<u>£</u>	<u>£</u>
Donations (Unrestricted)	1,755	17,084
Donations (Restricted: Development)	915,594	351,617
Donations (Syria Refugee Project)	480	25,070
Donations (Restricted: for outside QMT)	6,537	850
Grants received (for employees)	12,709	33,391
Fees received	9,630	9,199
Profits received	0	2
	<hr/>	<hr/>
Total incoming resources	946,705	437,213
 <u>Resources expended</u>		
Donations paid (Restricted)	13,335	0
Donations paid (Syria Refugee project)	3,030	19,353
Salaries and Madrassa cost	34,558	48,329
Car park rent & council tax	21,334	21,000
Hall hire	5,490	1,650
Insurance	1,226	789
Repairs and renewals	0	690
Utilities	4,294	7,811
Phone, internet & website	314	258
Bank charges	91	1,830
General Expenses	1,614	1,587
Accountancy & Independent Report	4,710	8,710
Depreciation	0	4,885
	<hr/>	<hr/>
Total Resources Expended	89,996	116,892
	<hr/>	<hr/>
Net Incoming Resources	856,709	320,321
Surplus funds brought forward	2,402,084	2,081,763
	<hr/>	<hr/>
Surplus funds carried forward	3,258,793	2,402,084
	<hr/>	<hr/>

QURA'NI MURKUZ TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 5 APRIL 2022.

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	05.04.22	05.04.21
Profit on Deposits	£0	£2

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

	As at 05.04.21	Additions	Disposal	As at 05.04.22
<u>Cost</u> Freehold Properties	1,394,215	1,675,847	-	3,070,062
	=====	=====	=====	=====
		05.04.22		05.04.21

3. DEBTORS : amounts due before and after 12 months 927 212

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

Sundry Creditors	9,193	11,017
	=====	=====

5. CONTINGENT LIABILITIES

There are no contingent liabilities at 5 April 2022.

6. RELATED PARTY TRANSACTIONS

Dealt with in the Trustee Report.

7. AVERAGE NUMBER OF EMPLOYEES

7 (2021 - 10)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

REPORT TO THE TRUSTEES OF QURA'NI MURKUZ TRUST (CHARITY NO. 1081317)

ON ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2022.

SET OUT ON PAGES 8 to 10

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.

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Accounting Technicians, which is one of the listed bodies.

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
72 South View Drive
London
E18 1NS.

Date: 3 February 2023.