



CHARITY REGISTRATION NUMBER: 1096111

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2020

FAIRMAN DAVIS

**Chartered Accountants & Statutory Auditors
Suite 6, Exhibition House
Addison Bridge Place
London
W14 8XP**

THE COUNCIL OF EUROPEAN JAMAATS
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 DECEMBER 2020

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2020.

Reference and Administrative Details

Registered Charity No: 1096111 (England & Wales)

Principal Office The Council of European Jamaats
Unit 101, 1st floor
Metroline House, 118-122 College Road
HA1 1BQ

Trustees:

Dr Akber Mohamedali	
Mr Mahmood Hooda	
Mr Murtaza Bharwani	
Mr Mohamed Hassan Visram	Appointed 23/04/2020
Mr Arif Hiridjee	
Mr Tawfiq Jivraj	
Mr Murtaza Gulamhusein	
Mrs Waheeda Rahim	
Dr Husein Jiwa	
Syed Mohammed Naqvi	
Miss Esmat Jeraj	
Mr Makbul Jaffer	
Mr Salim Hamir	
Dr Rizwan Alidina	
Mrs Ismat Ramji	
Mr Imran Najafi	
Mr Rasool Bhamani	
Mr Fayyaz Haji	
Mr Salim Govani	
Mr Mukhtarali Hirani	
Mr Hussein-Ali Rahemtulla	
Mr Mohamedtaki Mohamedali Jaffer	
Mr Kamran Shah	
Mr Shaneabbas Fidahusseini Rajani	
Mr Komeil Rajani	
Mr Shakir Rahemtulla	
Mrs Mariam Hassam	
Mr Rizwan Rahemtulla	
Mr Irad Michael Hassanaly	Appointed 02/04/2020
Mr Mohammed Mohsin Asaria	Appointed 30/06/2020
Dr Hassanali Dewji	Appointed 30/06/2020
Mr Hamid Pirbhai	Appointed 04/10/2020
Mr Sibtain Allibhai	Appointed 04/10/2020
Mr Moshin Kassam	Appointed 04/10/2020
Mr Soudjad Cassam Chenai	Appointed 31/12/2020
Mr Azad Hedaraly	Resigned 31/12/2020
Mr Mohammed Mohsin Asaria	Resigned 26/02/2020
Mr Sibtain Raffiq-Fazal	Resigned 30/03/2020
Mr Azim Jetha	Resigned 02/04/2020
Mr Abbas Datoo	Resigned 30/06/2020
Mr Sarfraz Jeraj	Resigned 30/06/2020
Dr Munir Datoo	Resigned 04/10/2020
Mr Altaf Daya	Resigned 04/10/2020
Mr Muzafer Sultanali Rashid	Resigned 04/10/2020

Auditors:

Fairman Davis
Chartered Accountants & Statutory Auditor
Suite 16, Exhibition House
Addison Bridge Place
London W14 8XP

THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT *(continued)* YEAR ENDED 31 DECEMBER 2020

Bankers:

Habib Bank AG Zurich	National Westminster Bank PLC
Habib House	Cathedral Square
42 Moorgate, London	Peterborough
EC2R 6JJ	PE1 1XH

Structure, Governance and Management

The Charity is governed by its constitution and is constituted as a charitable trust. The constitution was adopted on 15 December 2002 and as amended on 01 December 2013.

The trustees of The Council of European Jamaats are the members of the council of management. They are for the purposes of the constitution, officers of the charity.

The trustees are responsible for the overall management and control of the charity and meet regularly to manage its affairs. Staff resources are divided into religious, finance and administration.

Objectives and Activities

The object for which the Charity has been established is to promote and advance the Islamic Religion in accordance with the principles of the Shia Ithna-Asheri faith. The Charity through its Executive Committee shall have the power:

- (a) To encourage the practice of the Islamic Religion as taught by Shia Ithna-Asheri Sharia throughout Europe
- (b) To eradicate poverty
- (c) To advance education amongst the community.
- (d) To relieve those in need by reason of youth, age, ill health, and disability, financial hardship or other disadvantages
- (e) To do all such other things as shall further the above-mentioned object.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and setting the grant making policy for the year.

In addition to the above objectives, during 2020 the Charity intends to hold courses, covering a variety of academic subjects at various levels to assist students in their quest for educational excellence.

The Charity also aims to foster closer relationships amongst the elderly by facilitating various meetings and seminars as well as holding social events in the year.

THE COUNCIL OF EUROPEAN JAMAATS
TRUSTEES' ANNUAL REPORT *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and Performance

The trustees are pleased that the achievements and performance of the Trust, as set out below, demonstrate concrete progress during the year.

The Charity has organised several events, activities and programmes to fulfil its objectives using all mediums at its disposal to promote the services provided.

Amongst the activities held during the year were the following:

- Publishing:
 - Regular publications for members
 - Religious materials for use by members
 - Arranging seminars and events
- Organising:
 - Media training
 - Seminars and events for women and senior citizens
 - Annual conferences for religious scholars and students
 - Fund raising activities for a number of relief and humanitarian projects
- Enhancing relationships with other charities
- Working with government departments and Charity Commission on mutual projects
- Promotion of education, both secular and religious through seminars, courses and camps
- Provide Mediation Services
- Revamp and maximize the utilization of the Charity's website
- Due to COVID-19 Pandemic, many of CoEJ Projects had to be cancelled.

There has been continued growth of the Charity over the past several years. We have now doubled our volunteer base, so the number of volunteers is increasing exponentially. Developments and improvements across all main areas during 2019 have enabled the Charity to enhance its services to its members.

Financial Review

The results of the Group's activities are shown on pages 8 to 23 of the financial statements.

The Incoming Resources of the Group increased by 36% to £3,162,382 and the Outgoing Group's Resources increased by 33% to £3,104,897.

At the balance sheet date, the Charity has voluntary designated funds amounting to £350,225 (2019 - £293,294). These funds comprise gift aid donations.

Designated funds are unrestricted funds consisting of amounts allocated by the trustees for Charity purposes. Investment income is allocated to the unrestricted funds.

General funds amounted to £805,409 (2019 - £758,096) at the balance sheet date. These are unrestricted funds which are available for use at the discretion of the trustees to further the general objects of the Charity and which have not been designated for other purposes.

Restricted funds comprise unexpended balances of donations held on trust to be applied for specific purposes.

THE COUNCIL OF EUROPEAN JAMAATS
TRUSTEES' ANNUAL REPORT *(continued)*
FOR THE YEAR ENDED 31 DECEMBER 2020

Since October 2018, there have been numerous issues with respect to the investment held within CoEJ Investments Ltd. The Trustees have been working diligently with Independent Counsel to ensure the Charity is protected, as well as, trying to secure the investment longer term. The trustees have also made a full impairment provision against the assets in 2018 and subsequently the company is now liquidated.

With respect to the Charity's other subsidiary, European Hajj Company Limited, the unprecedented and rapid spread of COVID-19 has put a temporary restriction on the performance of the company's activities. Therefore during this period the company did not carry out the activities from which it generates most of its income.

In the year, the Charity has invested the sum of £15,000 with a view of receiving regular return on their investment.

Key Management Personnel Remuneration

The Office Bearers, comprising the President, Vice President, Secretary General, Treasurer, Assistant Secretary General and Assistant Treasurer are considered to be the key management personnel of the Charity, in charge of directing and controlling the Charity and running its day to day operations. All trustees give of their time freely and no trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests and register them with the Board of Trustees, and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

Details of trustee expenses and related party transactions are disclosed in note 18 to the accounts.

Risk Management

The trustees have assessed the major risks to which the charity may be exposed, in particular those relating to meeting payments to suppliers and the use of restricted funds. The trustees are also satisfied that systems are in place to mitigate exposure to these risks and the processes implemented are designed to minimise any impact on the Charity, should any of these risks materialise.

Reserves Policy

The trustees aim to maintain reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure approximately £90,000. The trustees consider that a level of three months will provide sufficient funds to cover any unexpected expenditure requirements.

Plans for Future Periods

With respect to the charity, 2021 will be a difficult year. The ongoing and unprecedented potential impact of COVID-19 has put a temporary restriction on the current and future activities and is closely being monitored as the restrictions are eased in the coming months.

THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT *(continued)* YEAR ENDED 31 DECEMBER 2020

Fundraising Policy

Although the charity is not a member of the Institute of Fundraising it does however abide by the principles of good fundraising practices. The charity doesn't work with or employ third party fundraisers. A complain policy is in operation and the trustees are pleased to confirm that no complain on fundraising or any other matter has come to light.

Trustees' Responsibilities Statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England and Wales requires the Charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the Charity for that period.

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 applicable Charities SORP;
- make judgments and accounting 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 business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

The trustees' annual report was approved on 08/09/2021 and signed on behalf of the board of trustees by:



Dr A Mohamedali
President



Mr M Visram
Treasurer

THE COUNCIL OF EUROPEAN JAMAATS
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE COUNCIL OF EUROPEAN JAMAATS
YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of The Council of European Jamaats (the "Charity") for the year ended 31 December 2019 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE COUNCIL OF EUROPEAN JAMAATS
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE COUNCIL OF EUROPEAN JAMAATS (continued)
YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [\[www.frc.org.uk/auditorsresponsibilities\]](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed



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Fairman Davis
Chartered Accountants & Statutory Auditors
Suite 16, Exhibition House
Addison Bridge Place, London
W14 8XP

Date:

08/09/2021

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income and Endowments					
Donations and Legacies	4	213,710	2,945,798	3,159,508	1,749,433
Other Income	5	-	7,170	7,170	562,865
Total Income		213,710	2,952,968	3,166,678	2,312,298
Expenditure					
Expenditure on Charitable Activities	6,7	(168,029)	(2,929,753)	(3,097,782)	(1,843,835)
Other Expenditure	8	-	(7,164)	(7,164)	(477,285)
Total Expenditure		(168,029)	(2,936,917)	(3,104,946)	(2,321,120)
Operating Income		45,682	16,051	61,733	(8,822)
Revaluation of Tangible Fixed Assets		-	-	-	-
Impairment of Tangible Fixed Assets		-	-	-	-
		-	-	-	-
Net Income		45,682	16,051	61,733	(8,822)
Reconciliation of Funds					
Total funds brought forward		982,107	75,879	1,057,985	1,066,807
Total funds carried forward		1,027,789	91,930	1,119,718	1,057,985

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

THE COUNCIL OF EUROPEAN JAMAATS

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	12	-		1,515	
Investment Property	14	270,000		270,000	
Investment		645,107	915,107	630,208	901,723
		<hr/>		<hr/>	
Current Assets					
Debtors	15	493,787		358,490	
Cash at Bank and in Hand	16	241,686		189,713	
		735,473		548,203	
		<hr/>		<hr/>	
CREDITORS : amounts falling due within one year	17	(530,860)		(391,940)	
		<hr/>		<hr/>	
NET CURRENT ASSETS			204,612		156,263
			<hr/>		<hr/>
Total Assets less Current Liabilities			1,119,719		1,057,985
			<hr/>		<hr/>
Net Assets			1,119,719		1,057,985
			<hr/>		<hr/>
Funds					
Restricted Funds	21		91,930		75,879
Unrestricted Funds	21		1,027,789		982,107
			<hr/>		<hr/>
Total Charity Funds			1,119,719		1,057,985
			<hr/>		<hr/>

These financial statements were approved by the board of trustees and authorised for issue on **08/09/2021** and are signed on behalf of the board by:



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Dr A Mohamedali
President



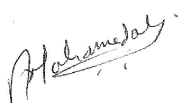
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Mr M Visram
Treasurer

THE COUNCIL OF EUROPEAN JAMAATS

**BALANCE SHEET (CHARITY)
AS AT 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Fixed Assets			
Tangible Assets	12	270,000	1,515
Investments	13	645,208	630,208
		<u>915,208</u>	<u>631,723</u>
Current Assets			
Debtors	15	463,436	641,187
Cash at Bank and in Hand	16	156,993	154,504
		<u>620,429</u>	<u>795,692</u>
CREDITORS : amounts falling due within one year	17	<u>(387,948)</u>	<u>(342,051)</u>
NET CURRENT ASSETS		232,481	453,641
Total Assets less Liabilities		<u>1,147,689</u>	<u>1,085,363</u>
Net Assets		<u><u>1,147,689</u></u>	<u><u>1,085,363</u></u>
Funds			
Restricted Funds	21	50,019	33,974
Unrestricted Funds	21	1,097,670	1,051,390
Total Charity Funds		<u><u>1,147,689</u></u>	<u><u>1,085,363</u></u>

These financial statements were approved by the board of trustees and authorised for issue on **08/09/2021** and are signed on behalf of the board by:



.....
Dr A Mohamedali
President



.....
Mr M Visram
Treasurer

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2020

	2020	2019
	£	£
Cash Flows from Operating Activities		
Net Income for the year	61,733	(8,822)
Adjustments for:		
Dividends, Interest and Rents from Investments	-	(87,737)
Depreciation	1,515	3,121
(Increase)/Decrease in Debtors	(135,196)	(323,821)
Increase/(Decrease) in Creditors	138,920	281,427
Net Cash from Operating Activities	66,972	(135,832)
Cash flows from Investing Activities		
Dividends, Interest and Rents Received from Investments	-	87,737
Purchase of Investments	(15,000)	(100,002)
Purchase of Fixed Assets		(881)
Net Cash (used in) Investing Activities	(15,000)	(13,146)
Change is Cash and Cash Equivalents in the year	51,972	(148,978)
Cash and Cash Equivalents at the beginning of the year	189,714	338,692
Cash and Cash Equivalents at end of year	241,686	189,714

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. General Information

The Charity is a registered charity in England and Wales and is unincorporated. The financial statements are prepared in sterling, which is the functional currency of the entity.

2. Statement of Compliance

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

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

Basis of Consolidation

The financial statements consolidate the results of the Charity and its subsidiary undertakings on a line-by-line basis. The entities consolidated are those as listed in note 21 and 22 of the accounts with further analysis provided in respect to these subsidiaries. A separate Statement of Financial Activities for the Charity has not been presented as the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The surplus of the parent Charity was £58,077 (2019: £10,613 deficit). Uniform SORP accounting policies have been applied.

Going Concern

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the Charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming Resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the Charity; it is probable that the economic benefits associated with the transaction will flow to the Charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is confirmed and its amount can be measured reliably

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2020

3. Accounting Policies *(continued)*

• income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

• expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

• expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

• other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	- over the life of the asset
Fixtures and Fittings	- 20% straight line
Equipment	- 20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 DECEMBER 2020

3. Accounting Policies *(continued)*

Investment properties are measured initially at cost, and subsequently at fair value at the reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments, regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2020

4 Donations and Legacies

Consolidated	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations				
Donations	54,568		54,568	59,144
Subscriptions	22,177		22,177	12,770
East Africa Trip	-		-	0
Marriage Seminar	80		80	0
Madinah & Bab	-		-	24,678
Other Misc. Activities	-		-	0
MAMT	588		588	46,167
Leadership Development Program	700		700	14,850
Mediation	2,320		2,320	2,841
Seniors Trip	-		-	14,755
CoEJ/WF Heritage Project	-		-	6,565
Wellbeing	1,080		1,080	2,618
Womens Retreat	-		-	3,138
Young Girls Camp	(850)		(850)	3,950
Youth Conference	50		50	
Summer Camp	-		-	2,000
Madrasah Centre of Excellence	6,606		6,606	15,212
WF Grant	-		-	70,000
Government Grant	20,789		20,789	
COVID funds	5,749		5,749	
Gift Aid Income	56,931		56,931	27,196
Rent Income - Mobile Homes	-		-	25,000
Rent Income - Properties	13,483		13,483	4,732
General Donations (note 19)	-	2,945,798	2,945,798	1,380,385
Donation from KSIMC Ltd	29,440		29,440	33,430
	213,710	2,945,798	3,159,508	1,749,433

Charity	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations				
Donations	54,568		54,568	59,144
Subscriptions	22,177		22,177	12,770
Marriage Seminar	80		80	0
Madinah & Bab	-		-	24,678
MAMT	588		588	46,167
Leadership Development Program	700		700	14,850
Mediation	2,320		2,320	2,841
Seniors Trip	-		-	14,755
CoEJ/WF Heritage Project	-		-	6,565
Wellbeing	1,080		1,080	2,618
Women's Retreat	-		-	3,138
Young Girls Camp	(850)		(850)	3,950
Youth Conference	50		50	0
Summer Camp	-		-	2,000
Madrasah Centre of Excellence	6,606		6,606	15,212
WF Grant	-		-	70,000
Government Grant	20,789		20,789	0
COVID funds	5,749		5,749	0
Gift Aid Income	56,931		56,931	27,196
General Donations	-	2,945,798	2,945,798	1,380,385
Donation from CoEJ Investments Ltd	599		599	90,000
Rent Income - Mobile Homes	-		-	25,000
Rent Income - Properties	13,483		13,483	4,732
Donation from KSIMC Ltd	29,440		29,440	33,430
Donation from European Hajj Company	-		-	-
Other Miscellaneous Activities	-		-	-
	214,309	2,945,798	3,160,107	1,839,433

5. Other Income - Consolidated

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Hajj Income- European Hajj Company Ltd	-	7,170	7,170
Rent Receivable- CoEJ Investments Ltd	-	-	-
	-	7,170	7,170

Previous Year

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Hajj Income- European Hajj Company Ltd	-	475,128	475,128
Rent Receivable- CoEJ Investments Ltd	87,737	-	87,737
	87,737	475,128	562,866

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2020

6. Expenditure on Charitable Activities - Consolidated

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Madinah & Bab	-	-	-	24,678
MAMT- Gents	100	-	100	56,803
Leadership Development Program	4,691	-	4,691	12,148
Women Retreat	-	-	-	3,626
Young Girls Camp	-	-	-	3,903
Marriage Seminar	-	-	-	250
Ucas	-	-	-	40
Summer Camp	-	-	-	330
Mediation	8,736	-	8,736	2,260
Madressa of Excellence	240	-	240	4,387
Media Training	-	-	-	270
Seniors Trip	-	-	-	15,179
Seniors Gathering	-	-	-	2,100
Seniors Retreat	-	-	-	169
CoEJ/WF Heritage Project	951	-	951	4,275
Wellbeing	200	-	200	5,768
Eid Gifts	100	-	100	100
Women Empowerment	-	-	-	190
Other Misc. Activities	-	-	-	944
CoEJ Academy	-	-	-	-
CoEJ Sports	-	-	-	4,671
Other Donations	38,684	-	38,684	13,980
Support Costs (Note 7)	114,326	-	114,326	146,972
Other Charitable Activities (Note 19)	-	2,929,753	2,929,753	1,540,695
Donation to EHC	-	-	-	100
	168,029	2,929,753	3,097,782	1,843,835

7. Expenditure on Charitable activities - Support Costs
Charity

	2020 £	2019 £
Rent	9,072	19,464
Rates	993	978
Photocopier Rental	2,006	1,517
Travelling	-	2,956
Meeting Expenses	569	86
Printing ,Postage and Stationary	275	842
Telephone & Internet	1,262	1,740
Cleaning	130	510
Software & website	6,944	3,391
ID Checks	1,530	3,416
Legal Fees	8,659	10,004
Professional Fees	600	-
Insurance	1,739	2,260
Refurbishment Expenses	-	-
Forex Loss	-	-
Bank & Card Charges	1,613	2,867
Marketing	15	5,336
Salaries & Social Security costs	72,675	80,928
Audit Fees	3,000	3,000
Recruitment Expenses	-	1,757
General Expenses	358	654
Subscription	1,370	2,145
Depreciation	1,515	3,121
	114,326	146,972

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Other Expenditure

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Hajj Costs	-	920	920
Charitable Donations	-	-	-
Administrative Costs	-	681	681
Advertising	-	-	-
Insurance	-	910	910
Bank Charges	-	12	12
Computer Running Cost	-	-	-
Legal & Professional Fees	-	-	-
Subscriptions	-	1,028	1,028
Audit Fees	-	1,200	1,200
Profit or Loss on Foreign Exchange	-	2,412	2,412
Depreciation	-	-	-
Taxation	-	1	1
	-	7,164	7,164

Previous Year

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Hajj Costs	-	465,750	465,750
Repairs	-	-	-
Administrative Costs	28	1,600	1,628
Insurance	-	1,000	1,000
Bank Charges	-	910	910
Charitable Donations	30	38	68
Legal & Professional Fees	-	1,200	1,200
Subscriptions	3,838	-	3,838
Audit Fees	-	1,283	1,283
Depreciation	-	1,200	1,200
Taxation	-	408	408
	-	-	-
	3,896	473,389	477,285

9. Net Income

Net Income is stated after charging/(crediting):

	2020 £	2019 £
Audit Fees	4,200	4,200
Depreciation of Tangible Fixed Assets	1,515	3,121

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 DECEMBER 2020

10. Staff Costs

The total staff costs and employee remuneration for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	69,039	77,353
Social security costs	1,214	2,089
Pension	853	1,486
	<u>71,106</u>	<u>80,928</u>

The average head count of employees during the year was 5 (2019:5).

During the year, due to COVID-19, 3 staff members were furloughed from 01 April 2020. Total Job Retention Scheme grant received £20,789.

These employees were subsequently made redundant on 30 September 2020

The key management personnel of the charity comprise trustees.

11. Trustee Remuneration and Expenses

No remuneration from employment with the Charity or a related entity were received by the trustees in this or the previous year.

Travelling expenses amounting to £ 0.00 (2019: £2,955.69) were incurred by the trustees

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2020

12. Tangible Fixed Assets
Consolidated

	Land and Buildings £	Investment Property	Fixtures and Fittings £	Equipment £	Total £
Cost					
At 1 January 2020	-	270,000	23,394	36,699	330,093
Additions	-	270,000	-	-	270,000
Disposals		(270,000)			(270,000)
At 31 December 2020	-	270,000	23,394	36,699	330,093
Depreciation					
At 1 January 2020	-	-	22,584	35,995	58,579
Charge for the year	-	-	809	705	1,515
At 31 December 2020	-	-	23,394	36,699	60,094
Carrying Amount					
At 31 December 2020	-	270,000	-	-	270,000
At 31 December 2019	-	-	810	705	1,515

Charity

	Investment Property £	Fixtures and Fittings £	Equipment £	Total £
Cost				
At 1 January 2020	-	23,394	36,699	60,093
Additions	270,000	-	-	-
At 31 December 2020	270,000	23,394	36,699	60,093
Depreciation				
At 1 January 2020	-	22,584	35,995	58,579
Charge for the year	-	809	705	1,515
At 31 December 2020	-	23,394	36,699	60,094
Carrying Amount				
At 31 December 2020	270,000	-	-	270,000
At 31 December 2019	-	810	705	1,515

13. Investment

	Total £
At 1 January 2020	630,208
Additions	15,000
At 31 December 2020	645,208
At 31 December 2019	630,208

During the year the Charity made investment in KSIMC Investments Limited and KSIMC Residential Limited. The Charity financially owns 12.80% of the 2 companies.

14. Investment Property

	Total £
At 31 December 2020	270,000
At 31 December 2019	270,000

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2020

15. Debtors

Consolidated	2020	2019
	£	£
Prepayments and Accrued Income	99,558	54,810
Other Debtors	394,229	303,680
	493,787	358,490

Charity	2020	2019
	£	£
Prepayments and Accrued Income	(17)	5,183
Other Debtors	463,453	636,004
	463,436	641,187

16. Cash at hand

Consolidated	2020	2019
	£	£
Current accounts and deposit accounts	241,616	188,872
Cash in hand	70	841
	241,686	189,713

Charity	2020	2019
	£	£
Current accounts and deposit accounts	156,923	153,663
Cash in hand	70	841
	156,993	154,504

17. Creditors: amounts falling due within one year

Consolidated	2020	2019
	£	£
Trade Creditors	39,941	54,450
Accruals	23,419	19,990
Other Creditors	467,500	317,500
	530,860	391,940

Charity	2020	2019
	£	£
Trade Creditors	560	6,661
Accruals	19,888	17,890
Other Creditors	367,500	317,500
	387,948	342,051

18. Subsidiary Company

	2020	2019
	£	£
Included in Debtors are amount due from:		
• European Hajj Company Limited	39,192	32,192

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2020

18. Related Party Transactions

The Trustees give freely of their time and expertise without any form of remuneration or other benefit in cash or any kind (2019: £Nil)

The following related party transactions took place during the year with the Charity's wholly owned subsidiaries (Note 22)

CoEJ Investments Ltd

- Donation received (without conditions) by the Charity from the subsidiary amounted to £598.54 (2019: £90,000)

19 Analysis of Movement in Funds - Charity

Restricted Funds

	Opening Balance	Income	Expenditure	Closing Balance
	£	£	£	£
Essex	-	392,778	(392,778)	-
Peterborough	-	314,019	(314,019)	-
Hyderi	-	339,348	(339,348)	-
Hujjat Funds	-	1,600	(1,600)	-
Paris Funds	50	-	-	50
Wessex Funds	-	15,950	(15,950)	-
Birmingham Funds	-	1,166,954	(1,166,954)	-
Milton Keynes Funds	3,250	750	(4,000)	-
WHIPAS	-	100	(100)	-
Al Mahdi Institute	200	-	-	200
European Refugee Crisis 2015	12,313	-	-	12,313
Khums	2,105	411,333	(395,017)	18,421
Fitra	1,537	28,223	(29,755)	5
Relief Funds	1,694	105,186	(105,353)	1,527
Welfare	4,637	13,120	(11,020)	6,737
Fidya & Kaffara	677	25,717	(26,288)	106
Sadaqa	2,362	87,418	(89,131)	648
Zakaat	50	7,474	(2,524)	5,000
Alim Grant	4,124	29,500	(29,500)	4,124
Muharram Grant	-	500	(500)	-
Ramadhan Grant	800	2,100	(2,000)	900
Qurbani	175	3,728	(3,914)	(11)
	33,973	2,945,798	(2,929,753)	50,018

Unrestricted Funds

	Opening Balance	Income	Expenditure	Closing Balance
	£	£	£	£
General Funds	1,051,390	214,309	168,029	1,097,670
	1,051,390	214,309	168,029	1,097,670

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 DECEMBER 2020

21. Analysis of Charitable Funds

**Consolidated
Unrestricted Funds**

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
General Funds	714,799	213,710	(168,029)	760,481
Designated Funds	230,148	-	-	230,148
Revaluation Reserve	37,160	-	-	37,160
	982,107	213,710	(168,029)	1,027,788

Restricted Funds

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
Restricted Funds	75,879	2,952,968	(2,936,917)	91,930
	75,879	2,952,968	(2,936,917)	91,930

**Charity
Unrestricted Funds**

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
General Funds	758,096	214,309	(168,029)	804,376
Designated Funds	293,294	-	-	293,294
	1,051,390	214,309	(168,029)	1,097,670

Restricted Funds

	At 1 Jan 2020	Income	Expenditure	At 31 Dec 2020
	£	£	£	£
Restricted Funds	33,974	2,945,798	(2,929,753)	50,019
	33,974	2,945,798	(2,929,753)	50,019

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 DECEMBER 2020

21. Subsidiary Company - The European Hajj Company Ltd

The Charity owns the whole of the issued ordinary share capital of The European Hajj Company Limited, a company registered in England and Wales (Reg. No. 08563597). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the SOFA. The total net profit forms part of the restricted funds of the consolidated accounts. A summary of the results of the subsidiary is shown below:

	2020	2019
	£	£
Turnover	7,170	475,128
Cost of Sales	(920)	(465,750)
	<u>6,250</u>	<u>9,378</u>
Administrative Expenses	(6,243)	(7,231)
	<u>7</u>	<u>2,147</u>
Taxation	(1)	(408)
Profit for the Financial Year	<u>6</u>	<u>1,739</u>

The aggregate of the assets, liabilities and funds was:

	2020	2019
	£	£
Assets	184,267	84,237
Liabilities	(81,205)	(81,181)
	<u>103,062</u>	<u>3,056</u>

EHC 2019 figures have been restated as follows:

Assets: £75,104 Restated to £84,237

Liabilities: (£73,695) Restated to (£81,181)