



CHARITY REGISTRATION NUMBER: 1096111

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED FINANCIAL STATEMENTS

31st December 2022

BRIAN PAUL LIMITED

Chartered Accountants & Statutory Auditors

Chase Green House

42 Chase Side

Enfield

Middlesex

EN2 6NF

THE COUNCIL OF EUROPEAN JAMAATS
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 31 December 2022

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THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT YEAR ENDED 31 December 2022

The trustees present their report and the financial statements of the Charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity No: 1096111 (England & Wales)

Principal Office The Council of European Jamaats
Unit 401, 1st floor
Metroline House, 118-122 College Road
HA1 1BQ

Trustees:	Mr Salim Rehmatullah	President
	Mr Murtaza Kanani	Vice President
	Ms Sabira Lakha	Secretary General Retired 13/07/2023
	Mrs Azmina Hansraj	Secretary General Appointed 11/08/2023
	Mr Mohammed Ali Muraj	Honorary Treasurer
	Mr Farhan Jamal	Assistant Secretary General Retired 13/07/2023
	Mrs Nawal Jeraj	Assistant Secretary General Appointed 11/08/2023
	Mr Naïme Vally	Assistant Honorary Treasurer
	Mr Murtaza Bharwani	
	Mr Arif Hiridjee	
	Dr Husein Jiwa	
	Mr Salim Hamir	
	Dr Rizwan Alidina	
	Mr Imran Najafi	
	Mr Rasool Bhamani	
	Mr Hussein-Ali Rahemtulla	
	Mr Kamran Shah	
	Mr Shakir Rahemtulla	
	Mr Rizwan Rahemtulla	
	Mr Mohammed Mohsin Asaria	
	Dr. Hassani Dewji	Retired 20/05/2022
	Mr Sibtain Allibhai	
	Mr Moshin Kassam	
	Mr Soudjad Cassam Chenai	
	Mr Arif Kassam	
	Mr Azad Poptani	
	Mr Mounisse Cheraly	
	Mr Muntazir Haji	
	Mrs Nasima Karim	
	Mr Riaz Kaba	
	Mr Zaheer Allarakhia	
	Ms Zainab Ladha	Retired 18/02/2023
	Mr Shabbir Merali	Appointed 16/10/2022
	Mrs Fatim Riyaz Bandali	Appointed 01/04/2022
	Mr Sajad Manji	Appointed 28/07/2022
	Mr Faysal Pirmohamed	Appointed 21/02/2022
	Mr Sultan Kanani	Appointed 18/02/2023
	Mr Abbas Kara	Appointed 21/06/2022
	Mr Miqdad Master	Appointed 01/04/2022
	Mr. Altaf Daya	Appointed 17/05/2023

Auditors: Brian Paul Limited
Chartered Accountants & Statutory Auditor
Chase Green House
42 Chase Side
Enfield
Middlesex EN2 6NF

THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT *(continued)* YEAR ENDED 31 December 2022

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 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 and volunteer 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, and
- (e) To do all such others 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.

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 2022

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

Financial review

The results of the group's activities are shown on pages 10 to 25 of the financial statements.

The incoming resources of the Group decreased by 36% to £869,781 and the Outgoing Group's Resources decreased by 25% to £853,607.

Unrestricted funds amounted to £1,330,685 (2021 - £1,237,684) 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 2022**

With respect to the Charity's 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.

Key management personnel remuneration

The Office Bearers, comprising the President, Vice President, Secretary General, Honorary Treasurer, Assistant Secretary General and Assistant Honorary 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 19 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 £30,000. The trustees consider that a level of three months will provide sufficient funds to cover any unexpected expenditure requirements.

Plans for future periods

In the forthcoming year, the Charity will aim to:

- Promote and support excellence in the delivery of its activities
- Ensure strong governance, leadership and accountability
- To hold regular meetings and engage with member organisations
- To oversee the operation of its two subsidiaries
- To ensure financial stability and viability of the Charity

Auditors

The auditors, Brian Paul Limited, were appointed late in 2022 to fill a casual vacancy and are eligible for re-appointment.

THE COUNCIL OF EUROPEAN JAMAATS

TRUSTEES' ANNUAL REPORT *(continued)* YEAR ENDED 31 December 2022

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 complaints policy is in operation and the trustees are pleased to confirm that no complaint 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 08/10/2023 and signed on behalf of the board of trustees by:

Salim Rehmatullah
Salim Rehmatullah (Oct 8, 2023 11:52 GMT+1)

Mr S Rehmatullah
President

Mohammed Muraj
Mohammed Muraj (Oct 8, 2023 11:50 GMT+1)

Mr M Muraj
Honorary Treasurer

THE COUNCIL OF EUROPEAN JAMAATS
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE COUNCIL OF EUROPEAN JAMAATS
YEAR ENDED 31 December 2022

Opinion

We have audited the financial statements of The Council of European Jamaats (the "Charity") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, consolidated statement of financial position, charity statement of financial position, consolidated 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 2022 and of its incoming resources and application of resources, including 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 2022

Opinions on other matters prescribed by the Charities Act 2011

In our opinion, based on the work undertaken in the course of the audit:

the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the trustees' report has been prepared in accordance with applicable requirements.

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
- certain disclosures of trustees' remuneration specified by law are not made; 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.

Auditor's 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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the charity sector;

THE COUNCIL OF EUROPEAN JAMAATS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COUNCIL OF EUROPEAN JAMAATS *(continued)* YEAR ENDED 31 December 2022

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, UK Taxes Acts, data protection, anti-bribery, employment, environmental and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

THE COUNCIL OF EUROPEAN JAMAATS

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE COUNCIL OF EUROPEAN JAMAATS *(continued)*
YEAR ENDED 31 December 2022**

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members 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 and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Brian Paul

Paul Phillips (Senior Statutory Auditor)

**For and on behalf of
Brian Paul Limited
Chartered Accountants & Statutory Auditors
Chase Green House
42 Chase Side
Enfield
Middlesex
EN2 6NF**

Dated 09/12/2023

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 December 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income and endowments					
Donations and legacies	4	131,473	620,501	751,974	1,151,089
Other income	5	117,807	-	117,807	197,515
Total income		249,280	620,501	869,781	1,348,604
Expenditure					
Expenditure on charitable activities	6,7	(156,279)	(699,576)	(855,855)	(1,133,513)
Other expenditure	8	-	2,248	2,248	1,542
Total expenditure		(156,279)	(697,328)	(853,607)	(1,131,971)
Net income		93,001	(76,828)	16,174	216,633
Reconciliation of funds					
Total funds brought forward	21	1,237,684	129,597	1,367,281	1,119,719
Total funds carried forward	21	1,330,685	52,769	1,383,455	1,336,352

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 2022**

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible fixed assets	12	-		-	
Investment property	14	270,000		270,000	
Investment		<u>645,105</u>	915,105	<u>645,105</u>	915,105
Current assets					
Debtors	15	336,728		346,898	
Cash at bank and in hand	16	<u>527,528</u>		<u>464,127</u>	
		864,256		811,025	
CREDITORS : amounts falling due within one year	17	<u>(395,907)</u>		<u>(389,778)</u>	
NET CURRENT ASSETS			<u>468,349</u>		<u>421,247</u>
Total assets less current liabilities			<u>1,383,454</u>		<u>1,336,352</u>
Net assets			<u><u>1,383,454</u></u>		<u><u>1,336,352</u></u>
Funds					
Restricted funds	21		52,769		168,549
Unrestricted funds	21		1,330,685		1,167,803
Total charity funds			<u><u>1,383,454</u></u>		<u><u>1,336,352</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 08/10/2023 and are signed on behalf of the board by:

Salim Rehmatullah
Salim Rehmatullah (Oct 8, 2023 11:52 GMT+1)

.....
Mr Salim Rehmatullah
President

Mohammed Muraj
Mohammed Muraj (Oct 8, 2023 11:50 GMT+1)

.....
Mr Mohammed Muraj
Honorary Treasurer

THE COUNCIL OF EUROPEAN JAMAATS

**BALANCE SHEET (CHARITY)
AS AT 31 December 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	12		270,000		270,000
Investments	13		645,206		645,206
			<u>915,206</u>		<u>915,206</u>
Current assets					
Debtors	15	277,347		316,550	
Cash at bank and in hand	16	439,404		382,967	
		<u>716,751</u>		<u>699,517</u>	
CREDITORS : amounts falling due within one year	17	<u>(255,251)</u>		<u>(251,942)</u>	
NET CURRENT ASSETS			461,500		447,574
Total assets less liabilities			<u>1,376,706</u>		<u>1,362,780</u>
Net assets			<u><u>1,376,706</u></u>		<u><u>1,362,780</u></u>
Funds					
Restricted funds	21		46,021		125,096
Unrestricted funds	21		1,330,686		1,237,684
Total charity funds			<u><u>1,376,706</u></u>		<u><u>1,362,780</u></u>

These financial statements were approved by the board of trustees and authorised for issue on 08/10/2023 and are signed on behalf of the board by:

Salim Rehmatullah
Salim Rehmatullah (Oct 8, 2023 11:52 GMT+1)

Mr Salim Rehmatullah
President

Mohammed Muraj
Mohammed Muraj (Oct 8, 2023 11:50 GMT+1)

Mr Mohammed Muraj
Honorary Treasurer

THE COUNCIL OF EUROPEAN JAMAATS

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 December 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income for the year	16,174	216,633
Adjustments for:		
Dividends, interest and rents from investments	(117,807)	(197,515)
Write off from CoEJ Investment Ltd	-	(30,033)
Depreciation	-	-
(Increase)/decrease in debtors	10,170	146,889
Increase/(decrease) in creditors	37,057	(141,082)
Net cash from operating activities	(54,406)	(5,107)
Cash flows from investing activities		
Dividends, interest and rents received from investments	117,807	227,548
Disposal/(purchase) of investments		-
Net Cash (used in) investing activities	117,807	227,548
Change is cash and cash equivalents in the year	63,401	222,441
Cash and cash equivalents at the beginning of the year	464,127	241,686
Cash and cash equivalents at end of year	527,528	464,127

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 December 2022

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 undertaking on a line-by-line basis. The entity consolidated is listed in note 23 of the accounts with further analysis provided. 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 £13,926 (2021: £215,091). 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.

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 2022

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 2022

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 2022

4 Donations and legacies

<i>Consolidated</i>	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Donations				
Donations	1,491	-	1,491	35,133
Subscriptions	13,600	-	13,600	13,600
East Africa trip	-	-	-	1
Marriage seminar	1,200	-	1,200	180
Bab Al & Madinatul; Ilm Camp	11,839	-	11,839	-
MAMT	11,796	-	11,796	-
Capacity building	5,524	-	5,524	290
Mediation	-	-	-	250
Seniors Trip	2,687	-	2,687	-
CoEJ/WF heritage project	-	-	-	50
Wellbeing	-	-	-	1,280
Scholars/ICRA	3,000	-	3,000	3,854
Womens retreat	-	-	-	75
Madrasah Centre of Excellence	-	-	-	3,508
DBS checks	-	-	-	1,648
WF Grant	74,410	-	74,410	-
Seniors Trip Africa	-	-	-	-
COVID funds	-	-	-	-
Gift Aid income	5,926	-	5,926	17,829
Rent Income - Mobile Homes	72,750	-	72,750	-
Rent income - properties	17,645	-	17,645	-
General donations (note 20)	-	620,501	620,501	1,073,391
Donation - CoEJ Investment	27,412	-	27,412	-
	249,280	620,501	869,781	1,151,089

<i>Charity</i>	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Donations				
Donations	1,491	-	1,491	35,133
Subscriptions	13,600	-	13,600	13,600
East Africa trip	-	-	-	1
Marriage seminar	1,200	-	1,200	180
Bab Al & Madinatul; Ilm Camp	11,839	-	11,839	-
MAMT	11,796	-	11,796	-
Capacity building	5,524	-	5,524	290
Seniors Trip	2,687	-	2,687	-
CoEJ/WF heritage project	-	-	-	50
Wellbeing	-	-	-	1,280
Scholars/ICRA	3,000	-	3,000	3,854
Women's retreat	-	-	-	75
Madrasah Centre of Excellence	-	-	-	3,508
DBS checks	-	-	-	1,648
WF Grant	74,410	-	74,410	-
Seniors Trip Africa	-	-	-	-
Gift Aid income	5,926	-	5,926	17,829
General donations	-	620,501	620,501	1,073,391
	131,473	620,501	751,974	1,151,089

5 Other income - Consolidated

	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Haji income - European Haji Company Ltd	-	-	-
Part settlement income - mobile homes	72,750	-	72,750
Rent income - properties	17,645	-	17,645
Donation income from KSIMC JV	27,412	-	27,412
	117,807	-	117,807

Previous year - consolidated and charity

	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Haji income - European Haji Company Ltd	-	-	-
Part settlement income - mobile homes	119,965	-	119,965
Rent income - properties	13,836	-	13,836
Donation income from KSIMC JV	63,714	-	63,714
	197,515	-	197,515

Other income - Charity

	Unrestricted funds £	Restricted funds £	Total funds 2022 £
Part settlement income - mobile homes	72,750	-	72,750
Rent income - properties	17,645	-	17,645
Donation income from KSIMC JV	27,412	-	27,412
	117,807	-	117,807

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 December 2022

6. Expenditure on charitable activities - Consolidated and charity

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Bab Al Madinatul Ilm Camp	22,295	-	22,295	-
MAMT- Gents	17,605	-	17,605	814
Womens retreat	-	-	-	75
Womens activities	1,333	-	1,333	-
Marriage seminar	5,232	-	5,232	61
Capacity building	7,343	-	7,343	-
Board secretary	2,610	-	2,610	-
Mediation	-	-	-	1,045
Madrasah Centre of Excellence	-	-	-	3,508
Scholars/ICRA	6,000	-	6,000	-
Seniors trip	7,687	-	7,687	-
Board Conference	2,232	-	2,232	-
Census	4,880	-	4,880	-
CoEJ/WF heritage project	-	-	-	247
Business directory	5,041	-	5,041	789
Scholars/ICRA	-	-	-	4,600
Leadership summit	-	-	-	4,041
Other donations	-	-	-	37,253
Support costs (Note 7)	74,021	-	74,021	82,766
Other charitable activities (Note 20)	-	699,576	699,576	998,314
	156,279	699,576	855,855	1,133,513

7. Expenditure on charitable activities - Support costs

Charity	2022 £	2021 £
Rent	4,836	18,144
Rates	-	993
Photocopier rental	-	2,006
Travelling	15,744	301
Meeting expenses	2,666	356
Printing, postage and stationary	8	338
Telephone and internet	342	669
Cleaning	-	20
Software and website	3,757	8,051
ID checks	1,497	3,270
Legal fees	12,087	4,575
Professional fees	-	520
Accounting fees	3,405	300
Insurance	1,918	1,725
Bank and card charges	1,601	1,476
Marketing	2,751	77
Salaries and social security costs	12,167	32,952
Audit fees	9,500	3,000
IT Costs	2,046	-
Leases	979	-
foreign exchange gains and losses	(834)	-
Recruitment expenses	-	1,036
General expenses	310	825
Bad debt write off	-	18
Subscription	(875)	2,112
Equipment hire	116	-
	74,021	82,766

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

8. Other expenditure

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Arrangement costs	-	3,588	3,588
Audit fees	-	600	600
Profit or loss on foreign exchange	-	(6,964)	(6,964)
Taxation	-	528	528
	<u>-</u>	<u>(2,248)</u>	<u>(2,248)</u>

Previous year

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Other operating income	-	(1,635)	(1,635)
Administrative costs	-	39	39
Bank charges	-	6	6
Subscriptions	-	1,106	1,106
Audit fees	-	600	600
Profit or loss on foreign exchange	-	(2,020)	(2,020)
Taxation	-	362	362
	<u>-</u>	<u>(1,542)</u>	<u>-</u>
	<u>-</u>	<u>(1,542)</u>	<u>(1,542)</u>

9. Net income

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Audit fees	6,850	3,600

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 December 2022

10. Staff costs

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

	2022	2021
	£	£
Wages and salaries	12,167	32,952
Social security costs	-	-
Pension	-	-
	<u>12,167</u>	<u>32,952</u>

The average head count of employees during the year was 1 (2021:3).

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 £15,744 (2021: £301) were incurred by the trustees

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 December 2022

12. Tangible fixed assets
Consolidated

	Investment property £	Total £
Cost		
At 1 January 2022	270,000	270,000
Additions	-	-
At 31 December 2022	270,000	270,000
Depreciation		
At 1 January 2022	-	-
Charge for the year	-	-
At 31 December 2022	-	-
Carrying amount		
At 31 December 2022	270,000	270,000
At 31 December 2021	270,000	270,000

Charity

	Investment property £	Total £
Cost		
At 1 January 2022	270,000	270,000
Additions	-	-
At 31 December 2022	270,000	270,000
Depreciation		
At 1 January 2022	-	-
Charge for the year	-	-
At 31 December 2022	-	-
Carrying amount		
At 31 December 2022	270,000	270,000
At 31 December 2021	270,000	270,000

The investment property was valued by an independent professional valuer in 2017. In 2022 it is the opinion of the trustees that the market value has not changed since its last valuation by an independent professional valuer.

13. Investment

	Consolidated £	Charity £
At 1 January 2022	645,105	645,206
Write off		
At 31 December 2022	645,105	645,206
At 31 December 2021	645,105	645,206

14. Investment property

	Total £
At 31 December 2022	270,000
At 31 December 2021	270,000

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 December 2022

15. Debtors

Consolidated	2022	2021
	£	£
Prepayments and accrued income	105,169	101,255
Other debtors	231,559	245,643
	336,728	346,898

Charity	2022	2021
	£	£
Prepayments and accrued income	5,596	1,680
Other debtors	271,751	314,870
	277,347	316,550

16. Cash at hand

Consolidated	2022	2021
	£	£
Current accounts and deposit accounts	527,457	464,056
Cash in hand	71	70
	527,528	464,127

Charity	2022	2021
	£	£
Current accounts and deposit accounts	439,333	382,896
Cash in hand	71	70
	439,404	382,967

17. Creditors: amounts falling due within one year

Consolidated	2022	2021
	£	£
Trade creditors	37,702	38,816
Accruals	15,400	600
Corporation tax	890	362
Other creditors	341,915	350,000
	395,907	389,778

Charity	2022	2021
	£	£
Trade creditors	2,726	1,942
Accruals	14,200	-
Other creditors	238,325	250,000
	255,251	251,942

18. Subsidiary Company

	2022	2021
	£	£
Included in debtors are amount due from:		
European Hajj Company Limited	40,192	39,192

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 December 2022

19. 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 (2021: £nil)

Included within other debtors in note 15 is a loan to Essex Jamaat of £206,525 (2021 : £250,000) which amount is matched by a loan from The World Federation in the same amounts and included within other creditors in note 17.

20. Analysis of movement in funds - Charity

Restricted Funds

	Opening balance	Income	Expenditure	Closing balance
	£	£	£	£
Peterborough	-	1,056	(1,057)	(1)
Hujjat	-	1,000	(1,000)	-
Paris	50		(50)	-
Leicester	2,000	6,093	(6,093)	2,000
Imam Reza Hardship Fund		56,377	(44,147)	12,230
Birmingham	-	10,202	(10,202)	-
AFED Sdolidarity Day		1	(1)	(0)
General Capital Projects		1	(1)	(0)
The Bhavnagar Tenant Housing		1	(1)	(0)
Refugees in Brussels		51	(6)	45
Nazar		1	(21)	(20)
East Africa Trip		1	(0)	1
WF Brighter Future		230	(230)	-
Switzerland	6,000	14,000	(6,000)	14,000
WHIPAS	180		(180)	-
Khums	40,559	339,824	(370,200)	10,184
Fitra	212	42,671	(42,145)	738
Relief funds	25,074	103,497	(107,783)	20,789
Welfare	3,805	1	(3,806)	(0)
COVID funds	(1,264)	6,606	(5,341)	1
Fidya and kaffara	490	15,395	(17,993)	(2,108)
Sadaqa	3,511	16,892	(14,404)	6,000
Zakaat	248	1,530	(1,670)	108
Alim grant	39,661	4,458	(65,850)	(21,731)
Muharram grant	2,000		(500)	1,500
Ramadhan grant	2,400		(500)	1,900
Qurbani	172	612	(396)	388
	125,096	620,501	(699,576)	46,021

Unrestricted funds

	Opening balance	Income	Expenditure	Closing balance
	£	£	£	£
General funds	1,237,684	249,280	156,279	1,330,685
	1,237,684	249,280	156,279	1,330,685

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (*continued*)
YEAR ENDED 31 December 2022

21. Analysis of charitable funds

**Consolidated
Unrestricted funds**

	At 1 Jan 2022	Income	Expenditure	At 31 Dec 2022
	£	£	£	£
Unrestricted funds	1,167,803	249,280	(156,279)	1,260,804
Prior period error arising on consolidation	69,881			69,881
	1,237,684	249,280	(156,279)	1,330,685

Restricted funds

	At 1 Jan 2022	Income	Expenditure	At 31 Dec 2022
	£	£	£	£
Restricted funds	168,549	620,501	(697,328)	91,721
Prior period error arising on consolidation	(38,952)			(38,952)
	129,597	620,501	(697,328)	52,769

**Charity
Unrestricted funds**

	At 1 Jan 2022	Income	Expenditure	At 31 Dec 2022
	£	£	£	£
Unrestricted funds	1,237,684	249,280	(156,279)	1,330,685
	1,237,684	249,280	(156,279)	1,330,685

Restricted funds

	At 1 Jan 2021	Income	Expenditure	At 31 Dec 2021
	£	£	£	£
Restricted funds	125,096	620,501	(699,576)	46,021
	125,096	620,501	(699,576)	46,021

THE COUNCIL OF EUROPEAN JAMAATS
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 December 2022

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	862,336	52,769	915,105
Net current assets	468,349		468,349
Net assets	1,330,685	52,769	1,383,454

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	746,556	168,549	915,105
Net current assets	421,247		421,247
Net assets	1,167,803	168,549	1,336,352

23. 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. 06281391). 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:

	2022 £	2021 £
Turnover	-	-
Cost of sales	-	-
	-	-
Sundry income		1,635
Administrative expenses	2,776	269
	2,776	1,904
Taxation	(528)	(362)
Profit for the financial year	2,248	1,542

The aggregate of the assets, liabilities and funds was:

	2022 £	2021 £
Assets	187,697	180,734
Liabilities	(180,845)	(176,130)
	6,852	4,604

24. Contingent liabilities

The Council of European Jamaats acts as guarantor to a loan made to The European Hajj Company Limited by The World Federation of KSMIC. As at 31st December 2022 £100,000 was outstanding. During 2023 \$70,000 of this amount has been repaid.