

REGISTERED COMPANY NUMBER: 04927787 (England and Wales)
REGISTERED CHARITY NUMBER: 1103290

STRATEGIC REPORT, REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
EUROPE TRUST
(A COMPANY LIMITED BY GUARANTEE)

EUROPE TRUST

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For The Year Ended 31 December 2022

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EUROPE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS For The Year Ended 31 December 2022

TRUSTEES	Dr. F Alaoui Bouarraqui (Chairman) Dr. A Abushwaima A J Koubaisy S Bouabdallah M Ibrahim I Kady T Aydarus S Almahdawi Dr N Al-Kaddo (appointed 24.11.22)
COMPANY SECRETARY	R Al Rawi
REGISTERED OFFICE	MCC Ratby Lane Markfield LE67 9SY
REGISTERED COMPANY NUMBER	04927787 (England and Wales)
REGISTERED CHARITY NUMBER	1103290
AUDITORS	TC Group 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ

EUROPE TRUST
STRATEGIC REPORT
For The Year Ended 31 December 2022

The trustees present their strategic report for the year ended 31 December 2022.

REVIEW OF BUSINESS

The trust was able to generate sufficient incoming resources during the year to make donations in kind estimated to around £170,000 (2021: £115,000), by providing community based organisations in different European countries either rent free or reduced rate lease of the Trust's properties, in furtherance of its objects.

POLICY ON RESERVES

Europe Trust has total funds of £8,913,995 (2021: £8,549,084), the majority of which is represented by investment and mixed motive properties.

The properties are used to advance the objects of the charity, by providing a sustainable income to cover the charity's annual operational costs as well for the use of the beneficiaries of the charity.

The charity maintains sufficient liquid reserves to meet the day to day running costs of the charity. Net current assets at 31 December 2022 were £1,570,706 (2021: £1,219,342).

PRINCIPAL FUNDING SOURCES

The Trust generates income from a combination of rentals from investment properties and donations from other organisations and individuals.

The Trust has grown its property portfolio by acquiring donated properties over many years. No properties were donated to the charity during the year ended 31 December 2022.

INVESTMENT POLICY

The Trustees' stated investment policy is to invest in low to medium risk properties and real estate.

Approved by order of the board of trustees on **25 October 2023** and signed on its behalf by:



.....
S Almahdawi - Trustee

EUROPE TRUST

REPORT OF THE TRUSTEES For The Year Ended 31 December 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are:

- The advancement of religion and in particular the Islamic Religion in Europe.
- The establishment of facilities for recreation and other leisure time occupation in the interests of social welfare of deprived communities in Europe and elsewhere with the object of improving the conditions of life of such communities.
- The promotion of any charitable purpose amongst Muslims in Europe and elsewhere and in particular the relief of poverty, the advancement of education and the relief and prevention of suffering caused by mental health, social and or economic circumstances, or by emotional, personal or family problems by the provision of a counselling service or other services as appropriate.
- The establishment of religious, educational, social and recreational institutions by such means as are exclusively charitable.

As part of its strategy, the Charity invests its donations in property so that projects can be funded by a sustained level of income. Income earned from these properties is used to make grants to organisations that further its objectives.

Public benefit

The section above entitled 'Objectives and activities' sets out the objects and aims of the Charity. The Trustees have considered this, in conjunction with the guidance contained in the Charity Commission's general guidance on Public Benefit and have concluded that the aims of the Charity continue to be charitable and are for the public benefit.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grantmaking

The Trust makes grants as per its criteria following an application process by appropriate bodies as long as the application meets those criteria and as long as they abide by the laws and regulations of the land.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity, being a company limited by guarantee, is governed by its Articles of Association. The objects of the Company are contained in the Memorandum of Association. The Articles of Association include matters such as the election of members, appointment/ removal/ disqualification of Trustees and the powers held by the Trustees.

Recruitment and appointment of new trustees

The Board of Trustees is responsible for the recruitment of new trustees.

In seeking new trustees, the Trust seeks to identify people who are experienced individuals in the charity sector and/or businessmen who contribute in identifying/introducing the Trust and its projects and/or individuals that served in well-known organisations.

EUROPE TRUST

REPORT OF THE TRUSTEES For The Year Ended 31 December 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board appoints an Executive Committee, headed by the Chairman of Europe Trust, consisting of trustees to manage the affairs of the Charity. The Committee meets at least twice a year to consider the performance of the charity and respond to emerging issues and risks. The Committee also considers grant applications to the charity and approves them accordingly.

The Executive Manager is accountable to the Executive Committee and is responsible for implementing the decisions of the Committee and the Board of Trustees.

Induction and training of new trustees

Trustees are introduced to their new role upon their appointment. The resources available at Charity Commission's website are introduced to them so that they can familiarise themselves in relation to their duties and responsibilities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Income uncertainty due to potential reduced rental income resulting from fluctuations in the rental market or empty properties/rooms.

The trustees have spread their income-yielding property investments across different locations and property types. The properties are independently marketed and managed to maintain maximum occupancy and income recovery.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Europe Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

EUROPE TRUST

REPORT OF THE TRUSTEES
For The Year Ended 31 December 2022

Approved by order of the board of trustees on 25 October 2023 and signed on its behalf by:



.....
S Almahdawi - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EUROPE TRUST

Opinion

We have audited the financial statements of Europe Trust (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EUROPE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; 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 received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 the trustees 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 charitable company'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 charitable company 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EUROPE TRUST

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dilun Mistry

Dilun Mistry FCA (Senior Statutory Auditor)
for and on behalf of TC Group
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

Date: **27 October 2023**

EUROPE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2022

		2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	13,175	13,072
Investment income	3	1,022,549	806,653
Other income		-	19,654
Total		<u>1,035,724</u>	<u>839,379</u>
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	4	14,861	13,034
		<u>14,861</u>	<u>13,034</u>
Charitable activities	5		
Charitable activities		655,952	484,974
Total		<u>670,813</u>	<u>498,008</u>
Net gains on investments		-	1,622
NET INCOME		364,911	342,993
RECONCILIATION OF FUNDS			
Total funds brought forward		8,549,084	8,206,091
TOTAL FUNDS CARRIED FORWARD		<u><u>8,913,995</u></u>	<u><u>8,549,084</u></u>

The notes form part of these financial statements

EUROPE TRUST

BALANCE SHEET
31 December 2022

		2022 Unrestricted fund £	2021 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	12	1,963	2,309
Investments			
Investment property	13	4,983,742	2,765,712
Social investments	14	2,386,408	4,604,438
		<u>7,372,113</u>	<u>7,372,459</u>
CURRENT ASSETS			
Debtors	15	737,414	400,417
Cash at bank and in hand		876,999	856,075
		<u>1,614,413</u>	<u>1,256,492</u>
CREDITORS			
Amounts falling due within one year	16	(43,707)	(37,150)
		<u>1,570,706</u>	<u>1,219,342</u>
NET CURRENT ASSETS			
		<u>8,942,819</u>	<u>8,591,801</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	17	(28,824)	(42,717)
		<u>8,913,995</u>	<u>8,549,084</u>
NET ASSETS			
		<u>8,913,995</u>	<u>8,549,084</u>
FUNDS	20		
Unrestricted funds		8,913,995	8,549,084
TOTAL FUNDS		<u>8,913,995</u>	<u>8,549,084</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25 October 2023 and were signed on its behalf by:


.....
S Almahdawi - Trustee

The notes form part of these financial statements

EUROPE TRUST

CASH FLOW STATEMENT
For The Year Ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	44,233	13,420
Interest paid		(10,228)	(10,228)
Net cash provided by operating activities		<u>34,005</u>	<u>3,192</u>
Cash flows from investing activities			
Sale of fixed asset investments		-	1,622
Interest received		812	75
Net cash provided by investing activities		<u>812</u>	<u>1,697</u>
Cash flows from financing activities			
Loan repayments in year		(13,893)	(13,892)
Net cash used in financing activities		<u>(13,893)</u>	<u>(13,892)</u>
Change in cash and cash equivalents in the reporting period		<u>20,924</u>	<u>(9,003)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>856,075</u>	<u>865,078</u>
Cash and cash equivalents at the end of the reporting period		<u><u>876,999</u></u>	<u><u>856,075</u></u>

The notes form part of these financial statements

EUROPE TRUST

NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	364,911	342,993
Adjustments for:		
Depreciation charges	346	407
Losses on investments	-	(1,622)
Interest received	(812)	(75)
Interest paid	10,228	10,228
Increase in debtors	(336,997)	(293,742)
Increase/(decrease) in creditors	6,557	(44,769)
Net cash provided by operations	<u>44,233</u>	<u>13,420</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	856,075	20,924	876,999
	<u>856,075</u>	<u>20,924</u>	<u>876,999</u>
Debt			
Debts falling due within 1 year	(13,892)	-	(13,892)
Debts falling due after 1 year	(42,717)	13,893	(28,824)
	<u>(56,609)</u>	<u>13,893</u>	<u>(42,716)</u>
Total	<u>799,466</u>	<u>34,817</u>	<u>834,283</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2022

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Government grants

Government grants relating to the Coronavirus Job Retention Scheme are recognised in income in the period in which it becomes receivable under the performance model.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Tangible fixed assets

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

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 15% on reducing balance

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

1. ACCOUNTING POLICIES - continued

Investment property and social investments

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Social investments are made in furtherance of the Charity's objects and any investment return is secondary to the charitable purpose supported by the investment. Currently all such investments represent property; the valuation policy applied to social investments is the same as for investment property.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

In the opinion of the trustees there are no activities giving rise to restricted funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Borrowings

Interest bearing borrowings are initially recorded at fair value, net of transaction costs. Interest bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount of the redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>13,175</u>	<u>13,072</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	1,021,737	806,578
Interest receivable	812	75
	<u>1,022,549</u>	<u>806,653</u>

Income from investments comprises the rental income receivable for the period from the Trust's properties located in the UK and in Europe.

4. RAISING DONATIONS AND LEGACIES

	2022	2021
	£	£
Insurance	1,839	1,788
Telephone	476	473
Postage and stationery	960	-
Bank charges	193	-
Depreciation	326	383
Interest payable and similar charges	10,228	10,228
Support costs	839	162
	<u>14,861</u>	<u>13,034</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Charitable activities	<u>597,248</u>	<u>28,311</u>	<u>30,393</u>	<u>655,952</u>

6. GRANTS PAYABLE

	2022	2021
	£	£
Charitable activities	<u>28,311</u>	<u>9,872</u>

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Raising donations and legacies	-	839	839
Charitable activities	6,931	23,462	30,393
	<u>6,931</u>	<u>24,301</u>	<u>31,232</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	9,300	6,428
Depreciation - owned assets	346	407
Other operating leases	<u>7,800</u>	<u>11,700</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

	2022 £	2021 £
Trustees' expenses	<u>12,635</u>	<u>12,387</u>

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	57,904	50,952
Social security costs	722	593
Other pension costs	616	1,120
	<u>59,242</u>	<u>52,665</u>

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

	2022	2021
Fundraising, marketing, administration	<u>3</u>	<u>2</u>

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

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	13,072
Investment income	806,653
Other income	19,654
Total	<u>839,379</u>
EXPENDITURE ON	
Raising funds	
Raising donations and legacies	13,034
	<u>13,034</u>
Charitable activities	
Charitable activities	484,974
Total	<u>498,008</u>
Net gains on investments	<u>1,622</u>
NET INCOME	342,993
RECONCILIATION OF FUNDS	
Total funds brought forward	8,206,091
TOTAL FUNDS CARRIED FORWARD	<u><u>8,549,084</u></u>

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2022 and 31 December 2022	<u>21,387</u>	<u>2,584</u>	<u>23,971</u>
DEPRECIATION			
At 1 January 2022	19,214	2,448	21,662
Charge for year	<u>326</u>	<u>20</u>	<u>346</u>
At 31 December 2022	<u>19,540</u>	<u>2,468</u>	<u>22,008</u>
NET BOOK VALUE			
At 31 December 2022	<u>1,847</u>	<u>116</u>	<u>1,963</u>
At 31 December 2021	<u><u>2,173</u></u>	<u><u>136</u></u>	<u><u>2,309</u></u>

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 December 2022

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022	2,765,712
Reclassification	2,218,030
	<u>4,983,742</u>
At 31 December 2022	<u>4,983,742</u>
NET BOOK VALUE	
At 31 December 2022	<u>4,983,742</u>
At 31 December 2021	<u>2,765,712</u>

The trustees are of the opinion that a number of the properties should be classed as mixed motive properties; these are disclosed in note 14.

Investment properties and mixed motive investment properties are included at a combination of historic cost and revaluation on a property by property basis.

The properties have been valued by the trustees based on their research of similar properties. Following their assessment the trustees are of the opinion that the value shown in the accounts is materially fair.

14. SOCIAL INVESTMENTS

	Mixed motive properties £
MARKET VALUE	
At 1 January 2022	4,604,438
Reclassification/transfer	(2,218,030)
	<u>2,386,408</u>
At 31 December 2022	<u>2,386,408</u>
NET BOOK VALUE	
At 31 December 2022	<u>2,386,408</u>
At 31 December 2021	<u>4,604,438</u>

The charity holds a number of properties in the UK and overseas. The trustees are of the opinion that a number of the properties should be classed as mixed motive properties and therefore £4,604,438 (2021: £4,604,438) of the overall investments has been classified as such.

The charity furthers its objects via mixed motive investments as these are variously rented out at nil or below market rates to Mosques, Islamic Community Centres and Educational Institutions. Mixed motive investments include properties held by the charity with a value of £2,386,408 (2021: £2,386,408) where no investment income is received. The remaining £2,218,030 (2021: £2,218,030) mixed motive investments includes properties where some investment income is received. The trustees have assessed that the proportion of these properties yielding a gross rental income is approximately 21%.

The trustees have reviewed the value of the remaining properties included as social investments. Taking account of their usage, condition and local market for such properties they consider that the value included within the financial statements is materially fair.

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accrued income	736,562	399,546
Prepayments	852	871
	<u>737,414</u>	<u>400,417</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 18)	13,892	13,892
Other creditors	621	93
Accrued expenses	29,194	23,165
	<u>43,707</u>	<u>37,150</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 18)	<u>28,824</u>	<u>42,717</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loan	<u>13,892</u>	<u>13,892</u>
Amounts falling between one and two years:		
Bank loan 1-2	<u>13,892</u>	<u>13,892</u>
Amounts falling due between two and five years:		
Bank loan 2-5 yrs	<u>14,932</u>	<u>28,825</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	<u>42,716</u>	<u>56,609</u>

Bank loans are secured by way of charges against the assets to which they relate.

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2022

20. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	8,549,084	364,911	8,913,995
TOTAL FUNDS	<u>8,549,084</u>	<u>364,911</u>	<u>8,913,995</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,035,724	(670,813)	364,911
TOTAL FUNDS	<u>1,035,724</u>	<u>(670,813)</u>	<u>364,911</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	8,206,091	342,993	8,549,084
TOTAL FUNDS	<u>8,206,091</u>	<u>342,993</u>	<u>8,549,084</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	839,379	(498,008)	1,622	342,993
TOTAL FUNDS	<u>839,379</u>	<u>(498,008)</u>	<u>1,622</u>	<u>342,993</u>

EUROPE TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued For The Year Ended 31 December 2022

21. CONTINGENT LIABILITIES

The Greece Tax Authority issued a report on a tax inspection of Europe Trust on 10/8/2020 for the years 2010, 2011, 2012 and 2013, and the report concluded that we fall under the Offshore company law. The Greece Tax Authority have put a charge on the properties in Greece with taxes, fines and interests for each of the four years totalling of 526,810.76 Euros.

As at the year end the matter is under consultation with Greece solicitors and officials and at the information gathering stage.

22. CAPITAL COMMITMENTS

	2022 £	2021 £
Contracted but not provided for in the financial statements	<u>380,000</u>	<u>-</u>

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

EUROPE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	13,175	13,072
Investment income		
Rents received	1,021,737	806,578
Interest receivable	812	75
	<u>1,022,549</u>	<u>806,653</u>
Other income		
Job retention scheme	-	19,654
Total incoming resources	<u>1,035,724</u>	<u>839,379</u>
EXPENDITURE		
Raising donations and legacies		
Insurance	1,839	1,788
Telephone	476	473
Postage and stationery	960	-
Bank charges	193	-
Fixtures & fittings dep'n	326	383
Bank interest	10,228	10,228
	<u>14,022</u>	<u>12,872</u>
Charitable activities		
Wages	49,878	44,310
Social security	615	522
Pensions	431	784
Other operating leases	7,800	11,700
Rates and water	-	(12,709)
Insurance	658	638
Telephone	171	169
Legal and professional fees	6,184	12,093
Bank charges	186	333
Property expenses	424,854	274,385
Foreign exchange losses	4,858	1,146
Office services	514	1,391
Travel expenses	22,651	14,215
Membership fees	-	90
Other property expenses	78,448	100,147
Grants to institutions	28,311	9,872
	<u>625,559</u>	<u>459,086</u>
Support costs		
Management		
Wages	6,688	5,535
Carried forward	6,688	5,535

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EUROPE TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2022

	2022 £	2021 £
Management		
Brought forward	6,688	5,535
Social security	89	59
Pensions	154	280
	<u>6,931</u>	<u>5,874</u>
Governance costs		
Trustees' expenses	12,635	12,387
Wages	1,338	1,107
Social security	18	12
Pensions	31	56
Auditors' remuneration	9,300	6,428
Insurance	132	128
Telephone	34	34
Printing, postage and stationery	189	-
Membership fees	590	-
Bank charges	14	-
Fixtures & fittings dep'n	20	24
	<u>24,301</u>	<u>20,176</u>
Total resources expended	<u>670,813</u>	<u>498,008</u>
Net income before gains and losses	<u>364,911</u>	<u>341,371</u>
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	-	1,622
Net income	<u><u>364,911</u></u>	<u><u>342,993</u></u>

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