

**Registered Charity Number: 1121179**

**EIC AL\_MASJID TRUST**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# EIC AL\_MASJID TRUST

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## **EIC AL\_MASJID TRUST**

### **GENERAL AND ADMINISTRATIVE INFORMATION**

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#### **Reference and Administrative Details**

##### **Trustees**

Sulaiman Sulaiman (Chairman)  
Abdallah Ramankhan (Vice Chairman)  
Nazrul Islam (Assistant Secretary)  
Mohammad Mushfique Uddin  
Mohammad Shahidul Hoque (Treasurer)  
Azizul Haque (Assistant Treasurer)  
Jahangir Ahmad Kashmiri  
Rizwan Sarwar Butt  
Mohammad Azizul Hoque  
Khalid Mahmood  
Mohammed Abdul Kadir Zaigirdar  
Nizamul Islam  
Abid Mahmood  
Awes Omar Ahmed

##### **Assistant Secretary**

Nazrul Islam

##### **Registered Office**

20-34 Raynham Road  
Angel Edmonton  
London  
N18 2SJ

##### **Charity Registration Number:**

1121179

##### **Auditors**

UHY Hacker Young  
Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

##### **Bankers**

Natwest Bank plc  
Al Rayan Bank plc  
Barclays Bank plc

## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees present their annual report and accounts for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 2015).

The EIC Al\_Masjid Trust was constituted under a Trust Deed dated 6 July 2003 and amended on 25 July 2007. The trust evolved from an incorporated association, namely Edmonton Islamic Centre Al\_Masjid (Charity no.1048604), which was registered on 11<sup>th</sup> July 1995 and removed from the register on 25<sup>th</sup> October 2010 with all the funds being transferred to EIC Al\_Masjid Trust.

The principal activities of the charity are the operation of an Islamic Centre for religious purposes and the provision of services to the Muslim community.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The charity is governed by its trust deed. Legal responsibility for the management and stewardship of the charity is vested in the Board of Trustees. The secretary of the charity is responsible for the day-to-day management of the charity and is responsible to the Board of Trustees.

The Trustees who served during the year were as follows:

Sulaiman Sulaiman (Chairman)  
Abdallah Ramankhan (Vice Chairman)  
Tariq Aziz Chaudhri (removed on 7 June 2021)  
Nazrul Islam (Assistant Secretary)  
Mohammad Mushfique Uddin  
Mohammad Shahidul Hoque (Treasurer)  
Azizul Haque (Assistant Treasurer)  
Jahangir Ahmad Kashmiri  
Rizwan Sarwar Butt  
Mohammad Azizul Hoque  
Khalid Mahmood  
Mohammed Abdul Kadir Zaigirdar  
Nizamul Islam  
Abid Mahmood  
Awes Omar Ahmed

Board meetings are held on a quarterly basis with additional meetings as required. The Board decides matters of strategy and overall policy and sets budgets.

### **Appointment and training of Trustees**

The Trustees are appointed at a special board meeting by way of voting.

## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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Upon appointment as Trustees, it is the policy and procedures of the EIC Al\_Masjid Trust for all Trustees to read and review the remit of the charity. They meet with the other Trustees and staff to undergo training in the issues that the charity deals with and to familiarise themselves with the charity. They are kept up to date on key governance directives, training and publications. Trustees are in contact with the secretary and staff on a regular basis and some of the Trustees help with individual cases.

No new Trustees have been appointed during the year ended 31 December 2020.

#### **Arrangements for setting pay for Trustees**

The Trustees are considered to be key management personnel of the charity in charge of directing and controlling, running and operating of the Trust on a daily basis. Only one of the Trustees is being remunerated and it is set during board meeting annually taking into account the financial position of the charity.

#### **Organisation**

The Board of Trustees consists of office bearers & ordinary Trustees. The office bearers include the Chairman, Vice Chairman, Secretary, Assistant Secretary, Treasurer and Assistant Treasurer who carry out their roles as per the trust deed.

Ordinary Trustees also form part of sub committees that meet regularly to fulfill tasks given by the Board of Trustees. The following sub committees regularly met and carried out tasks given by the Board of Trustees:

- Building sub committee
- Fundraising sub committee
- Ramadhan sub committee
- Friday arrangements sub committee
- Dawah & youth sub committee
- Tenant sub committee
- Ladies sub committee

#### **Risk management**

The Trustees review the risks that the charity faces annually and consider that adequate safeguards are in place to minimize the exposure. The main risks identified are as follows:

- a) Succession planning
- b) Continuity of voluntary income resources
- c) Reputation of the trust
- d) Application of all legislative requirements

## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees have a risk management strategy which comprises:

- The establishment of procedures to identify staffing requirements based on the needs of the charity
- Detailed vetting procedures for new applications
- Ensuring good governance is maintained throughout
- Continue to make appeals to donors and organise special events through the year
- Implementing professional Covid-19 risk assessment and management to ensure full compliance with government regulations.

Where significant financial risk still remains, they have ensured they have adequate insurance cover and an effective system of internal control.

### **OBJECTIVES AND ACTIVITIES**

The Trustees have paid due regard to the guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The main objectives of the trust are as follows:

- a. The advancement of religion in accordance with the tenets and doctrines of Islam.
- b. The advancement of education.
- c. The relief of poverty, sickness and distress amongst elderly members of the community, counselling and in such other ways as the Trustees may decide.
- d. The provision of facilities for recreation and the leisure-time occupation with the objective of improving the conditions of life of those members of the community which use them.
- e. To promote such other charitable purposes as may from time to time be determined.

### **Public Benefit**

The Trustees have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit.

### **ACHIEVEMENTS AND PERFORMANCE**

EIC AL\_Masjid Trust is one of the largest mosques/Islamic centres in North London, and is attended by over 10,000 people per week. There are regular congregations as well as other vital functions to cater for the local Muslim population and beyond. The Trust has seen a significant rise in worshippers from different ethnic backgrounds, making it one of the very few mosques in the area that have such multi-cultural communities coming together. The Trust provides a complete funeral service in line with the teachings of Islam.

The reputation of EIC Al\_Masjid Trust endeavours to provide the best service for its users to ensure that the number of users is always on the increase.

## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Financial Review**

The incoming resources for the year amounted to £318,033 (2019: £657,885). The COVID-19 pandemic has severely reduced the income of the Trust due to the limited number of worshipers allowed to worship at the masjid initially and following the temporary closure of the masjid as a result of lockdown restrictions. However, EIC Al\_Masjid Trust is still extremely grateful to all the supporters and expects the same support in the future.

Within incoming resources is £93,255 (2019: £124,338) relating to rent received from the letting out of the Charity's investment property. The Charity has given a 3-month rent waiver to its tenants in light of the pandemic.

The Charity held the following events in the year:

- The Covid-19 regulations restricted significantly the opening times of the premises and the activities available.
- Funeral services were provided with strict adherence to national and local regulations.
- Daily and weekly prayers were held outside lockdown with social distancing and other mandatory requirements respected, including reduced capacity.
- Daily and weekly on-line interactive lectures and promotion of health.
- E-Consultation counselling services on marital, familial, religious and other personal issues.
- Ramadhan additional prayers facilitated but within safety measures of Covid-19 regulations.

The Centre provided private counselling sessions with the imams including marriage counselling, and advice on different aspects of Islam. The Centre also organised visits by the imams and other worshipers to patients in local hospitals at the request of the hospitals, the patients and family members.

Adult Arabic and Quran classes were also provided on a regular basis throughout the year.

Expenditure on charitable activities in the year amount to £301,082 (2019: £332,944) whilst total governance costs incurred in the year came to £45,304 (2019: £42,725). The Trust held fund balances as at 31 December 2020 of £5,472,007 (2019: £5,500,360), comprising of a fixed asset fund of £1,463,656 (2019: £1,463,656), an unrestricted fund of £3,984,129 (2019: £4,012,482) and a restricted fund of £24,222 (2019: £24,222). These funds include cash reserves of £621,632 (2019: £678,613) at the year-end.

## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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During the year, the Trust has identified an instance whereby proceeds from the funeral facility services had not been accounted for in the accounting records. This has since been adjusted for accordingly in these financial statements and included within other debtors. In accordance with accounting regulations which require debtors to be assessed for impairment at each balance sheet date, a 50% provision of £34,459 has been made against this balance. Despite this, the Trustees are proactively pursuing the full amount owed. Trustees promptly filed a Serious Incident Report with the Charity Commission when made aware of this financial irregularity by the manager. The Commission is regularly updated with the development.

#### **Outlook for 2021**

In the coming year, the Trust is expected to continue with its fundraising activities to improve facilities for its users especially for the ladies and the youth. The wudhu and toilet facilities are in need of refurbishment and to incorporate a water recycling plant would cut down on the water bill.

The roof for all buildings require extensive repair. The trustees are getting several quotes before making the final decision on the firm to engage for these works.

The funeral hearse and van are also likely to be replaced in 2021.

#### **Reserves policy**

The Trustees have not yet formalised a specific reserves policy, beyond the requirement that reserves levels are regularly monitored to ensure that sufficient reserves are maintained to meet anticipated future needs.

#### **Investment policy**

The Charity has no investments apart from that of an investment property and cash deposits retained with major UK retail banks.

#### **Trustees' responsibilities in relation to the financial statements**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).



## **EIC AL\_MASJID TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Trustees' responsibilities in relation to the financial statements (continued)**

Charity 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 charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

The Trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

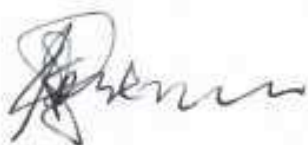
#### **Statement of disclosure to the auditor**

So far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### **Auditors**

A resolution will be proposed at the Annual General Meeting that UHY Hacker Young be reappointed as auditors to the charity for the ensuing year. Approved by the Trustees on 22 September 2021 and signed on their behalf by:



Sulaiman Sulaiman  
Chairman

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF EIC AL\_MASJID TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Opinion**

We have audited the financial statements of EIC AL\_Masjid Trust (the 'Charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the notes to the financial statements, including 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 incoming resources and application of resources, 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 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 Auditors' 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**

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 Charity's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF EIC AL\_MASJID TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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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.

**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' 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:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- 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 received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements which 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 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.



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF EIC AL\_MASJID TRUST FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated income.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

UHY Hacker Young LLP is eligible to act as an auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF EIC AL\_MASJID TRUST  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Use of our report**

This report is made solely to the Charity's trustees, as a body, in accordance with Charities Act 2011. Our audit work has been undertaken so that we might state to the trustees 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 Charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*UHY Hacker Young*

**UHY Hacker Young**  
Statutory Auditor

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

Date: *28 September* 2021

# EIC AL\_MASJID TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>					
Donations and legacies	2	222,028	-	222,028	508,577
Other trading activities	3	2,750	-	2,750	24,970
Investments	4	93,255	-	93,255	124,338
<b>Total</b>		318,033	-	318,033	657,885
<b>Expenditure on:</b>					
Charitable activities	5	301,082	-	301,082	332,944
Others	6	45,304	-	45,304	42,725
<b>Total</b>		346,386	-	346,386	375,669
<b>Net movement in funds</b>		(28,353)	-	(28,353)	282,216
<b>Reconciliation of funds</b>					
Total funds brought forward		4,012,482	1,487,878	5,500,360	5,218,144
<b>Total funds carried forward</b>		<u>3,984,129</u>	<u>1,487,878</u>	<u>5,472,007</u>	<u>5,500,360</u>

There are no recognised gains or losses other than those included in the Statement of Financial Activities.

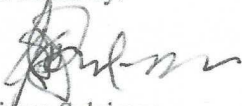
All incoming resources and resources expended derive from continuing activities.

**EIC AL\_MASJID TRUST**

**BALANCE SHEET  
AS AT 31 DECEMBER 2020**

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	10		2,473,572		2,489,548
Investment property	11		2,400,000		2,400,000
<b>Total fixed assets</b>			<u>4,873,572</u>		<u>4,889,548</u>
<b>Current assets</b>					
Debtors	12	131,789		89,337	
Cash at bank and in hand		621,632		678,613	
<b>Total current assets</b>		<u>753,421</u>		<u>767,950</u>	
<b>Liabilities</b>					
Creditors: amounts due within one year	13	(154,986)		(157,138)	
<b>Net current assets</b>			598,435		610,812
<b>Total assets less current liabilities</b>			<u>5,472,007</u>		<u>5,500,360</u>
<b>The funds of the charity:</b>					
<b>Unrestricted income funds</b>					
Unrestricted revenue accumulated	14		3,984,129		4,012,482
<b>Restricted income funds</b>					
Restricted revenue accumulated	14		24,222		24,222
<b>Restricted capital funds</b>					
Restricted fixed asset funds	14		1,463,656		1,463,656
<b>Total charity funds</b>			<u>5,472,007</u>		<u>5,500,360</u>

The financial statements were approved by the Board of Trustees on 22 September 2021 and were signed on its behalf by:

  
Sulaiman Sulaiman  
Chairman

  
Nazrul Islam  
Assistant Secretary

**EIC AL\_MASJID TRUST**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
<b><u>Cash flows from operating activities:</u></b>			
Net cash provided by operating activities	16	(48,335)	253,949
<b><u>Cash flows from investing activities:</u></b>			
Purchase of property, plant and equipment		(646)	(25,554)
		<hr/>	<hr/>
<i>Net cash used in investing activities</i>		(646)	(25,554)
		<hr/>	<hr/>
<b><u>Cash flows from financing activities:</u></b>			
Repayments of borrowings		(8,000)	(27,000)
		<hr/>	<hr/>
<i>Net cash used in financing activities</i>		(8,000)	(27,000)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents</b>		(56,981)	201,395
Cash and cash equivalents brought forward		678,613	477,218
		<hr/>	<hr/>
<b>Cash and cash equivalents carried forward</b>	17	<u><u>621,632</u></u>	<u><u>678,613</u></u>



## EIC AL\_MASJID TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### a) *Basis of preparation*

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historic cost convention. A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

##### b) *Incoming resources*

All incoming resources are recognised when the trust has entitlement to the funds, certainty of the receipt and the amount can be measured with sufficient reliability.

###### Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

###### Other trading activities

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on the completion of the service.

##### c) *Resources expended*

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note 5 below.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

###### Charitable activities

These are the costs incurred in the operation of the Trust.

###### Other costs

Other costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice, including the statutory audit and legal fees.

All resources expended are inclusive of irrecoverable VAT.

## EIC AL\_MASJID TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies (continued)

d) *Investment property*

Investment property is included in the balance sheet at their open market value and is not depreciated.

e) *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Motor vehicles	25% on reducing balance basis
Plant and machinery	15% on reducing balance basis

No depreciation is charged on freehold land and buildings as Trustees are of the opinion that the property has been well maintained and the value of the property has increased.

f) *Fund accounting*

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the Trust at the discretion of the Trustees.

Restricted fixed assets funds are resources which are to be applied to specific capital purposes.

Restricted general funds comprise all the resources which are to be applied for specific purposes for which the donors have contributed to.

#### 2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations and collections	158,438	-	158,438	410,806
Funeral facility	63,590	-	63,590	97,771
	<hr/>	<hr/>	<hr/>	<hr/>
	222,028	-	222,028	508,577
	=====	=====	=====	=====

**EIC AL\_MASJID TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3 Other trading activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
Hall and stalls hire	2,750	-	2,750	18,750
Huffaz collection	-	-	-	4,355
Others	-	-	-	1,865
	<u>2,750</u>	<u>-</u>	<u>2,750</u>	<u>24,970</u>

**4 Investment income**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
Rent from investment property	93,255	-	93,255	124,338
	<u>93,255</u>	<u>-</u>	<u>93,255</u>	<u>124,338</u>

**5 Expenditure on charitable activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
<b>Direct costs</b>				
Provision of funeral facilities	10,123	-	10,123	15,071
Staff costs (including NIC)	179,048	-	179,048	180,856
Ramadhan expenses	-	-	-	13,445
Huffaz Hadiya	-	-	-	4,355
	<u>189,171</u>	<u>-</u>	<u>189,171</u>	<u>213,727</u>

# EIC AL\_MASJID TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Expenditure on charitable activities (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>Allocated support costs</b>				
Advertising and promotion	4,251	-	4,251	2,755
Premises costs	43,395	-	43,395	93,728
Office expenses	1,871	-	1,871	1,720
Finance payments	1,251	-	1,251	1,157
Sundry expenses	10,062	-	10,062	216
Depreciation	16,622	-	16,622	19,641
Amount not recoverable*	34,459	-	34,459	-
	111,911	-	111,911	119,217
<b>Total costs</b>	301,082	-	301,082	332,944

\*refer to Note 12 and the financial review section in the Trustees Report for further information.

### 6 Governance costs

	2020 £	2019 £
Trustee's remuneration (including NIC)	30,724	36,245
Auditors' remuneration	8,500	6,480
Legal and professional fees	6,080	-
	45,304	42,725

### 7 Staff costs

	2020 £	2019 £
Wages and salaries including Trustees remuneration	198,584	204,134
Social security costs	9,761	11,716
Pension costs	1,427	1,251
	209,772	217,101

No employees received remuneration in excess of £60,000 during the year. The average number of employees during the year was 12 (2019: 12).

## EIC AL\_MASJID TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 8 Transactions with Trustees

One of the Charity's former Trustees, Tariq Aziz Chaudhri received remuneration of £30,724 (2019: £36,245) from the Charity. He was since removed as a Trustee on 7 June 2021.

Mr Mushfique Uddin, one of the Trustees of EIC Al\_Masjid Trust, has an interest in Ebrahim Community College, to which EIC Al\_Masjid Trust has given a loan. Mr Mushfique is a trustee of Ebrahim Community College.

One of the Charity's Trustees, Mohammad Azizul Hoque is also a Trustee of Aid International UK which rents part of the Charity's property for £8,200 (2019: £11,000) per annum. Both Mohammad Azizul Hoque and Mohammad Shahidul Hoque (also one of the Charity's Trustees) are also employees of Aid International UK.

No other related party transactions took place during the period.

#### 9 Auditors' remuneration

The remuneration constituted an audit fee of £8,500 (2019: £6,480).

#### 10 Tangible fixed assets

	<b>Freehold land and buildings £</b>	<b>Motor vehicles £</b>	<b>Plant &amp; machinery £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2020	2,382,789	38,525	240,624	2,661,938
Additions	-	-	646	646
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	2,382,789	38,525	241,270	2,662,584
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>				
At 1 January 2020	-	33,414	138,976	172,390
Charge for the year	-	1,278	15,344	16,622
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	-	34,692	154,320	189,012
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>				
At December 2020	2,382,789	3,833	86,950	2,473,572
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At December 2019	2,382,789	5,111	101,648	2,489,548
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**EIC AL\_MASJID TRUST****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****11 Investment property**

<b>Cost or valuation</b>	<b>£</b>
At 1 January 2020 & 31 December 2020	2,400,000
	=====
<b>Net book value</b>	
At 31 December 2020	2,400,000
	=====
At 31 December 2019	2,400,000
	=====

The Trustees have considered the market value of the property and do not believe that this is significantly different from the book value.

**12 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other debtors	96,789	54,337
Ebrahim Community College Loan (Charity No.1108141)	15,000	15,000
Madni Trust Loan (Charity No.1022471)	20,000	20,000
	=====	=====
	131,789	89,337
	=====	=====

Other debtors comprise of an amount due from one of the former Trustees. A 50% provision has been made against this balance. Please refer to Note 5 and the financial review section in the Trustees Report for further information.

**13 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Qarze Hasna loans	34,000	42,000
Accrued expenses	13,450	4,950
Other taxes and social security	7,536	10,188
Other creditors	100,000	100,000
	=====	=====
	154,986	157,138
	=====	=====

**EIC AL\_MASJID TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**14 Movement in funds**

	<b>At 1 January 2020 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>At 31 December 2020 £</b>
<b>Unrestricted revenue funds</b>				
General funds	4,012,482	318,033	(346,386)	3,984,129
	=====	=====	=====	=====
<b>Restricted revenue funds</b>				
Funeral collection	19,057	-	-	19,057
Children's hospice	5,165	-	-	5,165
	-----	-----	-----	-----
	24,222	-	-	24,222
	=====	=====	=====	=====
<b>Restricted fixed assets funds</b>				
Capital funds	1,463,656	-	-	1,463,656
	=====	=====	=====	=====
<b>Total funds</b>	<b>5,500,360</b>	<b>318,033</b>	<b>(346,386)</b>	<b>5,472,007</b>
	=====	=====	=====	=====

**15 Analysis of net assets by funds**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	2,473,572	-	2,473,572
Investments	2,400,000	-	2,400,000
Current assets	753,421	-	753,421
Creditors amounts falling due within one year	(154,986)	-	(154,986)
	-----	-----	-----
	5,472,007	-	5,472,007
	=====	=====	=====

**EIC AL\_MASJID TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**16 Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net movement in funds	(28,353)	282,216
Add back: depreciation charge	16,622	19,641
Add back: Amount not recoverable	34,459	
(Increase)/Decrease in debtors	(76,911)	(47,438)
Increase/ (Decrease) in creditors	5,848	(470)
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>(48,335)</b>	<b>253,949</b>
	<hr/> <hr/>	<hr/> <hr/>

**17 Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash in hand	621,632	678,613
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>621,632</b>	<b>678,613</b>
	<hr/> <hr/>	<hr/> <hr/>

**18 Comparative Statement of Financial Activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b><u>Income and endowments from:</u></b>			
Donations and legacies	503,412	5,165	508,577
Other trading activities	20,615	4,355	24,970
Investments	124,338	-	124,338
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>648,365</b>	<b>9,520</b>	<b>657,885</b>
	<hr/>	<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	328,589	4,355	332,944
Others	42,725	-	42,725
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>371,314</b>	<b>4,355</b>	<b>375,669</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



**EIC AL\_MASJID TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**18 Comparative Statement of Financial Activities (continued)**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>Net movement in funds</b>	277,051	5,165	282,216
<b>Reconciliation of funds</b>			
Total funds brought forward	3,735,431	1,482,713	5,218,144
	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>	4,012,482	1,487,878	5,500,360
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>