

Registered Charity Number: 1121179

EIC AL_MASJID TRUST

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

EIC AL_MASJID TRUST

CONTENTS

	Page
General and administrative information	1
Trustees' report	2 - 7
Independent auditors' report	8 - 11
Statement of financial activities	12
Balance sheet	13
Cash flow statement	14
Notes to the financial statements	15 – 23

EIC AL_MASJID TRUST

GENERAL AND ADMINISTRATIVE INFORMATION

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 2021

The Trustees present their annual report and accounts for the year ended 31 December 2021. 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).

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 11th July 1995 and removed from the register on 25th 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. Trustees have set up a Management Group to oversee the day to day management of the charity. The group consists of Trustees only with an interim manager. Trustees are not remunerated for that role.

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 2021

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 2021.

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 2021

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 2021

Financial Review

The incoming resources for the year amounted to £575,377 (2020: £318,033). This is an increase following recovery from the COVID-19 pandemic. EIC Al_Masjid Trust is still extremely grateful to all the supporters and expects the same support in the future.

Within incoming resources is £131,840 (2020: £93,255) relating to rent received from the letting out of the Charity's investment property. In the previous year, the Charity had 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.
- Covid-19 vaccination clinic for the public was made available.
- Monthly food bank service was provided
- Open 'Iftaar' event
- Public meeting with Lead Councillor on local issues and developments
- Adhoc lectures/seminar addressing contemporary subjects
- Weekly youth activities

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 £317,248 (2020: £301,082) whilst total governance costs incurred in the year came to £34,622 (2020: £45,304). The Trust held fund balances as at 31 December 2021 of £5,695,514 (2020: £5,472,007), comprising of a fixed asset fund of £1,463,656 (2020: £1,463,656), an unrestricted fund of £4,207,636 (2020: £3,984,129) and a restricted fund of £24,222 (2020: £24,222). These funds include cash reserves of £845,609 (2020: £621,632) at the year-end.

EIC AL_MASJID TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

In 2021, 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 the 2020 financial statements and was 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 was made against this balance as at 31 December 2020. As at 31 December 2021, the Trust has made a further provision based on the latest assessment. Despite this, the Trustees are proactively pursuing the full amount owed.

Outlook for 2022

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.

Roof for all buildings require extensive repair. A part of the mosque building has been attended to and the rest of the investment property still requires repair. The trustees are getting several quotes before making the final decision on the firm to engage for these works.

The Trustees are looking to hold the following activities in 2022:

- School visits
- Engagement with Safer Neighbourhood team
- Food Bank
- Family Fun day event
- Youth Conference
- Saturday and Sunday Youth club
- Various Lectures and Seminars to be held

The funeral hearse and van are also likely to be replaced in 2022.

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).

EIC AL_MASJID TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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.

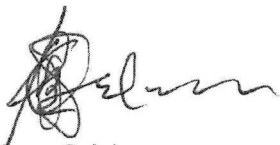
Statement of disclosure to the auditor

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 29/09/2022 and signed on their behalf by:



Sulaiman Sulaiman
Chairman

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF EIC AL_MASJID TRUST
FOR THE YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of EIC AL_Masjid Trust (the 'Charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the cashflow statement and the 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 2021 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 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 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 2021**

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 2021**

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 2021**

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: 5 October 2022

EIC AL_MASJID TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Donations and legacies	2	438,181	-	438,181	222,028
Other trading activities	3	1,826	3,530	5,356	2,750
Investments	4	131,840	-	131,840	93,255
Total		571,847	3,530	575,377	318,033
Expenditure on:					
Charitable activities	5	313,718	3,530	317,248	301,082
Others	6	34,622	-	34,622	45,304
Total		348,340	3,530	351,870	346,386
Net movement in funds		223,507	-	223,507	(28,353)
Reconciliation of funds					
Total funds brought forward		3,984,129	1,487,878	5,472,007	5,500,360
Total funds carried forward		4,207,636	1,487,878	5,695,514	5,472,007

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 2021**

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	10		2,466,316		2,473,572
Investment property	11		2,400,000		2,400,000
Total fixed assets			<u>4,866,316</u>		<u>4,873,572</u>
Current assets					
Debtors	12	130,234		131,789	
Cash at bank and in hand		845,609		621,632	
Total current assets			<u>975,843</u>	<u>753,421</u>	
Liabilities					
Creditors: amounts due within one year	13	(146,645)		(154,986)	
Net current assets			829,198		598,435
Total assets less current liabilities			<u><u>5,695,514</u></u>		<u><u>5,472,007</u></u>
The funds of the charity:					
Unrestricted income funds					
Unrestricted revenue accumulated	14		4,207,636		3,984,129
Restricted income funds					
Restricted revenue accumulated	14		24,222		24,222
Restricted capital funds					
Restricted fixed asset funds	14		1,463,656		1,463,656
Total charity funds			<u><u>5,695,514</u></u>		<u><u>5,472,007</u></u>

The financial statements were approved by the Board of Trustees on 29/09/2022 and were signed on its behalf by:


Sulaiman Sulaiman
Chairman

EIC AL_MASJID TRUST

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<u>Cash flows from operating activities:</u>			
Net cash provided by/ (utilised in) operating activities	16	235,531	(48,335)
<u>Cash flows from investing activities:</u>			
Purchase of property, plant and equipment		(8,054)	(646)
		<hr/>	<hr/>
<i>Net cash used in investing activities</i>		(8,054)	(646)
<u>Cash flows from financing activities:</u>			
Repayments of borrowings		(3,500)	(8,000)
		<hr/>	<hr/>
<i>Net cash used in financing activities</i>		(3,500)	(8,000)
		<hr/>	<hr/>
Change in cash and cash equivalents		223,977	(56,981)
Cash and cash equivalents brought forward		621,632	678,613
		<hr/>	<hr/>
Cash and cash equivalents carried forward	17	<u>845,609</u>	<u>621,632</u>

EIC AL_MASJID TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

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
Fixture and fittings	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 2021 £	Total Funds 2020 £
Donations and collections	296,751	-	296,751	158,438
Funeral facility	141,430	-	141,430	63,590
	<hr/>	<hr/>	<hr/>	<hr/>
	438,181	-	438,181	222,028
	<hr/>	<hr/>	<hr/>	<hr/>

EIC AL_MASJID TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Hall and stalls hire	-	-	-	2,750
Huffaz collection	-	3,530	3,530	-
Others	1,826	-	1,826	-
	<u>1,826</u>	<u>3,530</u>	<u>5,356</u>	<u>2,750</u>

4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Rent from investment property	131,840	-	131,840	93,255
	<u>131,840</u>	<u>-</u>	<u>131,840</u>	<u>93,255</u>

5 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Direct costs				
Provision of funeral facilities	17,168	-	17,168	10,123
Staff costs (including NIC)	150,752	-	150,752	179,048
Temporary staff costs	34,104	-	34,104	-
Ramadhan expenses	6,461	-	6,461	-
Huffaz Hadiya	-	3,530	3,530	-
Loss on disposal of fixed asset	135	-	135	-
	<u>208,620</u>	<u>3,530</u>	<u>212,150</u>	<u>189,171</u>

EIC AL_MASJID TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5 Expenditure on charitable activities (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Allocated support costs				
Advertising and promotion	3,188	-	3,188	4,251
Premises costs	43,164	-	43,164	43,395
Office expenses	2,161	-	2,161	1,871
Finance payments	1,518	-	1,518	1,251
Sundry expenses	5,433	-	5,433	10,062
Depreciation	15,175	-	15,175	16,622
Amount not recoverable*	34,459	-	34,459	34,459
	<u>105,098</u>	<u>-</u>	<u>105,098</u>	<u>111,911</u>
Total costs	<u>313,718</u>	<u>3,530</u>	<u>317,248</u>	<u>301,082</u>

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

6 Governance costs

	2021 £	2020 £
Trustee's remuneration (including NIC)	-	30,724
Auditors' remuneration	8,870	8,500
Legal and professional fees	25,752	6,080
	<u>34,622</u>	<u>45,304</u>

7 Staff costs

	2021 £	2020 £
Wages and salaries including Trustees remuneration	144,388	198,584
Social security costs	5,652	9,761
Pension costs	713	1,427
	<u>150,753</u>	<u>209,772</u>

No employees received remuneration in excess of £60,000 during the year. The average number of employees during the year was 9 (2020: 12).

EIC AL_MASJID TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 Transactions with Trustees

One of the Charity's former Trustees, Tariq Aziz Chaudhri received remuneration of £0 (2020: £30,724) 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 £11,000 (2020: £8,200) per annum. Both Mohammad Azizul Hoque and Mohammad Shahidul Hoque (also one of the Charity's Trustees) are also employees of Aid International UK.

During the period, the trustees made donations to EIC Al_Masjid Trust totalling £1,000 (2020: £0)

No other related party transactions took place during the period.

9 Auditors' remuneration

The remuneration constituted an audit fee of £8,870 (2020: £8,500).

10 Tangible fixed assets

	Freehold land and buildings £	Motor vehicles £	Fixture, Fittings and Equipment £	Total £
Cost				
At 1 January 2021	2,382,789	38,525	241,270	2,662,584
Additions	-	-	8,054	8,054
Disposals	-	(12,500)	-	(12,500)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	<u>2,382,789</u>	<u>26,025</u>	<u>249,324</u>	<u>2,658,138</u>
Depreciation				
At 1 January 2021	-	34,692	154,320	189,012
Charge for the year	-	924	14,251	15,175
Eliminated in respect of disposals	-	(12,365)	-	(12,365)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	<u>-</u>	<u>23,251</u>	<u>168,571</u>	<u>191,822</u>
Net book value				
At December 2021	<u>2,382,789</u>	<u>2,774</u>	<u>80,753</u>	<u>2,466,316</u>
At December 2020	<u>2,382,789</u>	<u>3,833</u>	<u>86,950</u>	<u>2,473,572</u>

EIC AL_MASJID TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****11 Investment property**

Cost or valuation	£
At 1 January 2021 & 31 December 2021	2,400,000
Net book value	
At 31 December 2021	2,400,000
At 31 December 2020	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

	2021	2020
	£	£
Other debtors	96,234	96,789
Ebrahim Community College Loan (Charity No.1108141)	14,000	15,000
Madni Trust Loan (Charity No.1022471)	20,000	20,000
	<u>130,234</u>	<u>131,789</u>

Included in the other debtors balance in 2020 was an amount owed by a former trustee. A full provision has been made against this balance during the year. Please refer to the financial review section in the Trustees Report for further information.

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Qarze Hasna loans	30,500	34,000
Accrued expenses	6,523	13,450
Other taxes and social security	9,622	7,536
Other creditors	100,000	100,000
	<u>146,645</u>	<u>154,986</u>

EIC AL_MASJID TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14 Movement in funds

	At 1 January 2021 £	Incoming Resources £	Resources Expended £	At 31 December 2021 £
Unrestricted revenue funds				
General funds	3,984,129	575,377	(351,870)	4,207,636
	=====	=====	=====	=====
Restricted revenue funds				
Funeral service	19,057	-	-	19,057
Children's hospice	5,165	-	-	5,165
	=====	=====	=====	=====
	24,222	-	-	24,222
	=====	=====	=====	=====
Restricted fixed assets funds				
Capital funds	1,463,656	-	-	1,463,656
	=====	=====	=====	=====
Total funds	5,472,007	575,377	(351,870)	5,695,514
	=====	=====	=====	=====

15 Analysis of net assets by funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,002,660	1,463,656	2,466,316
Investments	2,400,000	-	2,400,000
Current assets	951,621	24,222	975,843
Creditors amounts falling due within one year	(146,645)	-	(146,645)
	=====	=====	=====
	4,207,636	1,487,878	5,695,514
	=====	=====	=====

EIC AL_MASJID TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	2020 £
Net movement in funds	223,507	(28,353)
Add back: depreciation charge	15,175	16,622
Add back: Loss on disposal of fixed assets	135	-
Add back: Amount not recoverable	34,459	34,459
Increase in debtors	(32,904)	(76,911)
Increase/ (Decrease) in creditors	(4,841)	5,848
	<hr/>	<hr/>
Net cash provided by/ (utilised in) operating activities	235,531	(48,335)
	<hr/> <hr/>	<hr/> <hr/>

17 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	845,609	621,632
	<hr/>	<hr/>
Total cash and cash equivalents	845,609	621,632
	<hr/> <hr/>	<hr/> <hr/>

18 Comparative Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total funds £
<u>Income and endowments from:</u>			
Donations and legacies	222,028	-	222,028
Other trading activities	2,750	-	2,750
Investments	93,255	-	93,255
	<hr/>	<hr/>	<hr/>
Total	318,033	-	318,033
	<hr/>	<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	301,082	-	301,082
Others	45,304	-	45,304
	<hr/>	<hr/>	<hr/>
Total	346,386	-	346,386
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

EIC AL_MASJID TRUST

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

18 Comparative Statement of Financial Activities (continued)

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	(28,353)	-	(28,353)
Reconciliation of funds			
Total funds brought forward	4,012,482	1,487,878	5,500,360
	<hr/>	<hr/>	<hr/>
Total funds carried forward	<u>3,984,129</u>	<u>1,487,878</u>	<u>5,472,007</u>