

Company registration number: 07258525

Charity registration number: 1137088

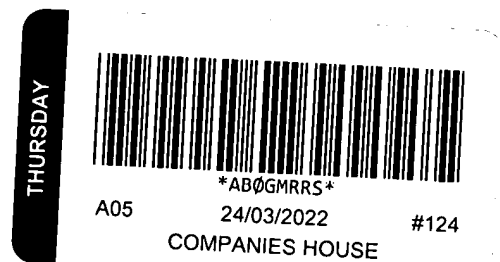
Muslim Institute Trust Ltd

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 June 2021

Incisive Accounting Limited
52 Grosvenor Gardens
London
SW1W 0AU



Muslim Institute Trust Ltd

Contents

Reference and Administrative Details	1
Strategic Report	2
Trustees' Report	3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6 to 7
Balance Sheet	8
Notes to the Financial Statements	9 to 19

Muslim Institute Trust Ltd

Reference and Administrative Details

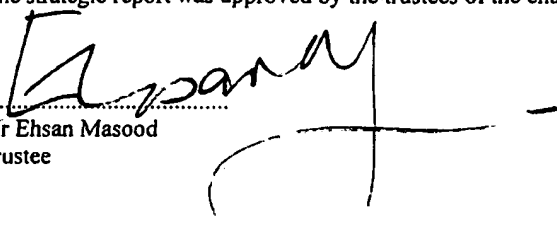
Trustees	Mr Hassan Mahamdallie
	Ms Halima Hussain
	Mr Asim Siddiqui
	Mufti Barkatullah
	Mr Ehsan Masood
	Ms Fatimah Mohammed Ashrif
	Mr Ziauddin Sardar
	Mr Shahid Hameed Khan Ghauri
	Ms Uzma Ali
Principal Office	Can Mezzanine
	49-51 East Road
	London
	N1 6AH
	The charity is incorporated in United Kingdom.
Company Registration Number	07258525
Charity Registration Number	1137088
Independent Examiner	Incisive Accounting Limited
	52 Grosvenor Gardens
	London
	SW1W 0AU

Muslim Institute Trust Ltd

Strategic Report for the Year Ended 30 June 2021

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 30 June 2021, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 25 February 2022 and signed on its behalf by:


.....
Mr Ehsan Masood
Trustee

Muslim Institute Trust Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 June 2021.

Objectives and activities

Objects and aims

The objectives of the Charity is to explore, debate and discuss the pressing intellectual problems and issues facing British Muslim communities and wider society; encourage and support the pursuit of excellence in knowledge and thought as an agent of positive change; and provide an intellectual space where problems and issues can be discussed from multiple perspectives.

Trust Framework

The Trust has continued to provide an open space where issues of plurality, equality and tolerance can be discussed openly and frankly with emphasis on intellectual rigour. It has continued to publish the quarterly Critical Muslim, organise the annual winter gathering and the prestigious annual Ibn Rushd lecture, and to hold regular conferences, seminars and discussion groups involving academics, writers and activists on a range of important issues. During the Covid-19 lockdown, many of our activities moved online.

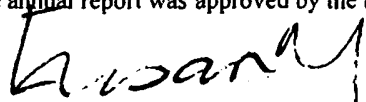
Prospects

The trust's future remains bright, its activities are considerable. Critical Muslim is now regarded as a major prestigious publication that has acquired an international reputation for its innovative content. Attendance at its annual Winter Gathering and lectures are much coveted.

Its contribution in debate and dialogue on community issues is being recognised and the Trust is emerging as a point of contact on issues relating to the Muslim communities.

The Trustees have maintained the integrity and good name of the Trust. They continue to use excess rental income and fellowship fees to maintain their activities.

The annual report was approved by the trustees of the charity on 25 February 2022 and signed on its behalf by:


.....
Mr Ehsan Masood
Trustee

Muslim Institute Trust Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Muslim Institute Trust Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Approved by the trustees of the charity on 25 February 2022 and signed on its behalf by:



Mr Ehsan Masood
Trustee

Muslim Institute Trust Ltd

Independent Examiner's Report to the trustees of Muslim Institute Trust Ltd

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2021 which are set out on pages 6 to 19.

Respective responsibilities of trustees and examiner

As the charity's trustees of Muslim Institute Trust Ltd (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Muslim Institute Trust Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Muslim Institute Trust Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Yasar Khan
Incisive Accounting Limited

52 Grosvenor Gardens
London
SW1W 0AU

25 February 2022

Muslim Institute Trust Ltd

Statement of Financial Activities for the Year Ended 30 June 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2021 £
Income and Endowments from:			
Voluntary income	3	9,419	9,419
Investment income	4	81,961	81,961
Total income		<u>91,380</u>	<u>91,380</u>
Expenditure on:			
Charitable activities	6	(42,495)	(42,495)
Other expenditure	7	(44,878)	(44,878)
Total expenditure		<u>(87,373)</u>	<u>(87,373)</u>
Net income		<u>4,007</u>	<u>4,007</u>
Net movement in funds		4,007	4,007
Reconciliation of funds			
Total funds brought forward		<u>1,994,282</u>	<u>1,994,282</u>
Total funds carried forward	16	<u>1,998,289</u>	<u>1,998,289</u>
	Note	Unrestricted £	Total 2020 £
Income and Endowments from:			
Voluntary income	3	11,552	11,552
Investment income	4	76,186	76,186
Total income		<u>87,738</u>	<u>87,738</u>

The notes on pages 9 to 19 form an integral part of these financial statements.

Muslim Institute Trust Ltd

Statement of Financial Activities for the Year Ended 30 June 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Total 2020 £
Expenditure on:			
Charitable activities	6	(44,445)	(44,445)
Other expenditure	7	<u>(50,623)</u>	<u>(50,623)</u>
Total expenditure		<u>(95,068)</u>	<u>(95,068)</u>
Net expenditure		<u>(7,330)</u>	<u>(7,330)</u>
Net movement in funds		(7,330)	(7,330)
Reconciliation of funds			
Total funds brought forward		<u>2,001,612</u>	<u>2,001,612</u>
Total funds carried forward	16	<u><u>1,994,282</u></u>	<u><u>1,994,282</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 16.

The notes on pages 9 to 19 form an integral part of these financial statements.

Muslim Institute Trust Ltd

(Registration number: 07258525)
Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	1,777,066	1,777,535
Current assets			
Debtors	13	-	68
Cash at bank and in hand	14	<u>224,152</u>	<u>217,095</u>
		224,152	217,163
Creditors: Amounts falling due within one year	15	<u>(2,929)</u>	<u>(416)</u>
Net current assets		<u>221,223</u>	<u>216,747</u>
Net assets		<u>1,998,289</u>	<u>1,994,282</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,998,289</u>	<u>1,994,282</u>
Total funds	16	<u>1,998,289</u>	<u>1,994,282</u>

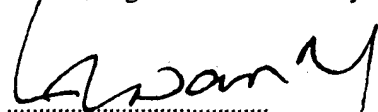
For the financial year ending 30 June 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 19 were approved by the trustees, and authorised for issue on 25 February 2022 and signed on their behalf by:



Mr Ehsan Masood
Trustee

The notes on pages 9 to 19 form an integral part of these financial statements.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

1 Charity status

The charity is limited by guarantee, incorporated in United Kingdom, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Can Mezzanine
49-51 East Road
London
N1 6AH

These financial statements were authorised for issue by the trustees on 25 February 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Muslim Institute Trust Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Resources expended

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.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable 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.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and building	0%
Fixtures & Fittings	25% Reducing Balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 due on 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.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

3 Voluntary income

	Unrestricted funds General £	Total funds £
Donations and legacies; Donations from individuals	9,419	9,419
Total for 2021	9,419	9,419
Total for 2020	11,552	11,552

4 Investment income

	Unrestricted funds General £	Total funds £
Income from rents	81,961	81,961
Total for 2021	81,961	81,961
Total for 2020	76,186	76,186

5 Expenditure on raising funds

Total
costs
£

6 Expenditure on charitable activities

	Unrestricted funds General £	Total funds £
Governance costs	2,855	2,855
Total for 2020	3,527	3,527

Note
8

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

Total expenditure £

In addition to the expenditure analysed above, there are also governance costs of £2,855 (2020 - £3,527) which relate directly to charitable activities. See note 8 for further details.

7 Other expenditure

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		469	469
Allocated support costs	8	44,409	44,409
Total for 2021		<u>44,878</u>	<u>44,878</u>
Total for 2020		<u>50,623</u>	<u>50,623</u>

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Other governance costs	2,855	2,855
Total for 2021	<u>2,855</u>	<u>2,855</u>
Total for 2020	<u>3,527</u>	<u>3,527</u>

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021	2020
	£	£
Depreciation of fixed assets	<u>469</u>	<u>625</u>

10 Trustees remuneration and expenses

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 July 2020	<u>1,775,660</u>	<u>2,500</u>	<u>1,778,160</u>
At 30 June 2021	<u>1,775,660</u>	<u>2,500</u>	<u>1,778,160</u>
Depreciation			
At 1 July 2020	-	625	625
Charge for the year	<u>-</u>	<u>469</u>	<u>469</u>
At 30 June 2021	<u>-</u>	<u>1,094</u>	<u>1,094</u>
Net book value			
At 30 June 2021	<u>1,775,660</u>	<u>1,406</u>	<u>1,777,066</u>
At 30 June 2020	<u>1,775,660</u>	<u>1,875</u>	<u>1,777,535</u>

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

13 Debtors

	2021	2020
	£	£
Other debtors	-	68

14 Cash and cash equivalents

	2021	2020
	£	£
Cash at bank	224,152	217,095

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	1,729	287
Other creditors	1,200	130
Accruals	-	(1)
	2,929	416

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

16 Funds

	Balance at 1 July 2020 £	Incoming resources £	Resources expended £	Balance at 30 June 2021 £
Unrestricted funds				
General	<u>1,994,282</u>	<u>91,380</u>	<u>(87,373)</u>	<u>1,998,289</u>
	Balance at 1 July 2019 £	Incoming resources £	Resources expended £	Balance at 30 June 2020 £
Unrestricted funds				
General	<u>2,001,612</u>	<u>87,738</u>	<u>(95,068)</u>	<u>1,994,282</u>

17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 June 2021 £
Tangible fixed assets	1,777,066	1,777,066
Current assets	224,152	224,152
Current liabilities	<u>(2,929)</u>	<u>(2,929)</u>
Total net assets	<u>1,998,289</u>	<u>1,998,289</u>

Muslim Institute Trust Ltd

Notes to the Financial Statements for the Year Ended 30 June 2021

	Unrestricted funds General £	Total funds at 30 June 2020 £
Tangible fixed assets	1,777,535	1,777,535
Current assets	217,163	217,163
Current liabilities	(416)	(416)
Total net assets	<u>1,994,282</u>	<u>1,994,282</u>

18 Analysis of net funds

	At 1 July 2020 £	Financing cash flows £	At 30 June 2021 £
Cash at bank and in hand	217,095	7,057	224,152
Net debt	<u>217,095</u>	<u>7,057</u>	<u>224,152</u>
	At 1 July 2019 £	Financing cash flows £	At 30 June 2020 £
Cash at bank and in hand	226,924	(9,829)	217,095
Net debt	<u>226,924</u>	<u>(9,829)</u>	<u>217,095</u>