

REGISTERED COMPANY NUMBER: 07759249 (England and Wales)
REGISTERED CHARITY NUMBER: 1143799

Trustees' Report and
Unaudited Financial Statements for the Year Ended 31 December 2022
for
MUSLIM COMMUNITY OF ESSEX
(A COMPANY LIMITED BY GUARANTEE)

HM Accountax Ltd
Chartered Certified Accountants
86-90 Paul Street
Islington
London
EC2A 4NE

MUSLIM COMMUNITY OF ESSEX

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for the Year Ended 31 December 2022

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MUSLIM COMMUNITY OF ESSEX

**Reference and Administrative Details
for the Year Ended 31 December 2022**

TRUSTEES

Mr M T Hussain
Mr R R Mawji (resigned 31.12.22)
Mr S M U H Naqvi (resigned 31.12.22)
Dr S Naqvi
Mr A Rashid
Mr F A Shah
Mr M Hussain
Mr S A R Rizvi
Mr A M Umlai (resigned 31.12.22)
Mr M M Jawad Director (appointed 12.10.22)

REGISTERED OFFICE

874 Eastern Avenue
Ilford
Essex
IG2 7HY

REGISTERED COMPANY NUMBER 07759249 (England and Wales)

REGISTERED CHARITY NUMBER 1143799

INDEPENDENT EXAMINER

HM Accountax Ltd
Chartered Certified Accountants
86-90 Paul Street
Islington
London
EC2A 4NE

SOLICITORS

Woodgrange Solicitors LLP
46 Woodgrange Road
Forest Gate
London
E7 0QH

MUSLIM COMMUNITY OF ESSEX (REGISTERED NUMBER: 07759249)**Trustees' Report
for the Year Ended 31 December 2022**

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

OBJECTIVES AND ACTIVITIES**Objectives and aims**

The Muslim Community of Essex's objective is to advance the religion of Islam and education, the provision of social and religious welfare activities and to provide relief of poverty among Shia Muslims.

Significant activities

The charity provides facilities for observing the important events in the Shia calendar.

1. There are approximately 125 days of importance in the calendar which are marked by observations with special functions. These include the fasting month of Ramadhan and the mourning month of muharram.
2. Daily prayer facilities, five times a day including Fajar before the sunrise.
3. Facilities are provided for Juma prayers every Friday and where participants include other Muslims.
4. Education facilities including madressa.

Public benefit

The trustees have considered the general guidance on public benefit issued by the Charities Commission and have taken due regard of that guidance. The trustees consider that they are satisfied that the charity's activities do provide a public benefit.

FINANCIAL REVIEW**Financial position**

The results for the year are as shown in the financial statements. The statement of financial activities shows the incoming resources and the resources expended by the different activities conducted under the Charity's name. In order to provide a better understanding of the activities undertaken, a summary and analysis of the activities is included.

The Trustees confirm that the annual report and financial statements of MCE comply with the current statutory requirements of the Charity's governing document and the provisions of the applicable charities Statement of Recommended Practice (SORP), UK Accounting Standards and the Charities Act 2011.

The Statement of Financial Activities shows how the Charity's funds have been applied during the year. The gross receipts of the Charity were £99,102 (2021: £60,485). At 31 December 2022, the balance on the restricted fund was £44,035 (2021: £44,035). The charity had a surplus of £13,087 for the year.

Reserves policy

The trustees aim to ensure that sufficient funds are maintained to enable the trust to carry out its activities.

FUTURE PLANS

The charity will continue to focus on promoting the advancement of Islamic religion among the shia muslims. It will also continue to improve the facilities provided at MCE.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing document**

Muslim Community of Essex ("MCE") is a company limited by guarantee incorporated on 1 September 2011.

The charitable company is governed by a Memorandum and Articles of Association. It was registered as a charity with the Charity Commission on 14 September 2011.

In the event of the charitable company being wound up members are required to contribute an amount not exceeding £1.

MUSLIM COMMUNITY OF ESSEX (REGISTERED NUMBER: 07759249)

**Trustees' Report
for the Year Ended 31 December 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The charity is governed by a board of trustees drawn from local community. This is to ensure that the board has skills and experience required to oversee the management of the charity and its operation.

Induction and training of new trustees

All new trustees receive a planned induction programme before taking up their place on the board. This includes an explanation of their roles and responsibilities, an induction to other trustees, an overview of the recent business and an explanation of board format and process.

Key management remuneration

The trustees are considered to be the key management personnel of the charity, in charge of directing and controlling the charity and running its day to day operations. All trustees give of their time freely and no trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests and register them with Board of Trustees, and, in accordance with trusts policy, withdraw from decision where a conflict of interest arises.

Details of trustee expenses and related party transactions are disclosed in notes to the accounts.

Related parties

The Charity does not hold assets on behalf of any another Charity, company or individual.

Risk management

The trustees have examined the major strategic, business and operational risks which the trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE INDEPENDENT EXAMINER:

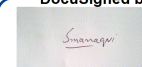
In so far as the trustees are aware:

- there is no relevant accounting information of which the charity's independent examiner are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the independent examiner are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 30 October 2023 and signed on its behalf by:

DocuSigned by:



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Dr S Naqvi - Trustee

**Independent Examiner's Report to the Trustees of
Muslim Community Of Essex (Registered number: 07759249)**

Independent examiner's report to the trustees of Muslim Community Of Essex ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (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 the Company 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 the Company 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.

DocuSigned by:

B2CF31C82AD2479...

Muhammad Husnain Haider FCCA, ACA

HM Accountax Ltd
Chartered Certified Accountants
86-90 Paul Street
Islington
London
EC2A 4NE

30 October 2023

MUSLIM COMMUNITY OF ESSEX

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		62,778	-	62,778	33,766
Charitable activities					
Charitable activity		14,860	-	14,860	7,895
Investment income	2	21,464	-	21,464	18,824
Total		99,102	-	99,102	60,485
EXPENDITURE ON					
Charitable activities					
Charitable activity	3	32,050	-	32,050	33,466
Other		53,965	-	53,965	26,215
Total		86,015	-	86,015	59,681
NET INCOME		13,087	-	13,087	804
RECONCILIATION OF FUNDS					
Total funds brought forward		938,234	44,035	982,269	981,465
TOTAL FUNDS CARRIED FORWARD		951,321	44,035	995,356	982,269

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

MUSLIM COMMUNITY OF ESSEX (REGISTERED NUMBER: 07759249)**Statement of Financial Position
31 December 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	9	731,024	-	731,024	745,737
CURRENT ASSETS					
Debtors	10	30,000	-	30,000	18,000
Cash at bank		194,242	44,035	238,277	219,532
		224,242	44,035	268,277	237,532
CREDITORS					
Amounts falling due within one year	11	(3,945)	-	(3,945)	(1,000)
NET CURRENT ASSETS		220,297	44,035	264,332	236,532
TOTAL ASSETS LESS CURRENT LIABILITIES		951,321	44,035	995,356	982,269
NET ASSETS		951,321	44,035	995,356	982,269
FUNDS	12				
Unrestricted funds:					
General fund				951,321	938,234
Restricted funds:					
Khums - S Imam				32,599	32,599
Khums - S Saadat				265	265
Building fund				11,171	11,171
				44,035	44,035
TOTAL FUNDS				995,356	982,269

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

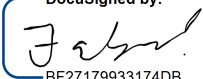
The notes form part of these financial statements

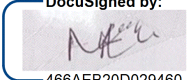
MUSLIM COMMUNITY OF ESSEX (REGISTERED NUMBER: 07759249)

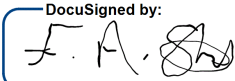
Statement of Financial Position - continued
31 December 2022

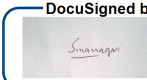
These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2023 and were signed on its behalf by:

DocuSigned by:

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Mr M T Hussain - Trustee

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Mr M Hussain - Trustee

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Mr F A Shah - Trustee

DocuSigned by:

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Dr S Naqvi - Trustee

The notes form part of these financial statements

MUSLIM COMMUNITY OF ESSEX**Notes to the Financial Statements
for the Year Ended 31 December 2022****1. ACCOUNTING POLICIES****Charity information**

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

Income

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

Expenditure

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

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

Tangible fixed assets

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

Freehold property	- 2% on cost
Improvements to property	- 20% on cost

Taxation

As the Charity is not registered for VAT, all costs shown are inclusive of VAT. The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

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

2. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	<u>21,464</u>	<u>18,824</u>

MUSLIM COMMUNITY OF ESSEX**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022****3. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities £	Support costs (see note 4) £	Totals £
Charitable activity	<u>30,023</u>	<u>600</u>	<u>1,427</u>	<u>32,050</u>

4. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Charitable activity	<u>77</u>	<u>1,350</u>	<u>1,427</u>

5. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	<u>17,026</u>	<u>16,607</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

7. STAFF COSTS

	2022 £	2021 £
Wages and salaries	<u>8,548</u>	<u>8,614</u>
	<u>8,548</u>	<u>8,614</u>

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

	2022 15	2021 15
Volunteers	<u>15</u>	<u>15</u>

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

MUSLIM COMMUNITY OF ESSEX**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022****8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	32,016	1,750	33,766
Charitable activities			
Charitable activity	7,895	-	7,895
Investment income	18,824	-	18,824
Total	<u>58,735</u>	<u>1,750</u>	<u>60,485</u>
EXPENDITURE ON			
Charitable activities			
Charitable activity	33,466	-	33,466
Other	26,215	-	26,215
Total	<u>59,681</u>	<u>-</u>	<u>59,681</u>
NET INCOME/(EXPENDITURE)	(946)	1,750	804
RECONCILIATION OF FUNDS			
Total funds brought forward	939,180	42,285	981,465
TOTAL FUNDS CARRIED FORWARD	<u>938,234</u>	<u>44,035</u>	<u>982,269</u>

9. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	828,200	43,218	215	871,633
Additions	-	-	2,313	2,313
At 31 December 2022	<u>828,200</u>	<u>43,218</u>	<u>2,528</u>	<u>873,946</u>
DEPRECIATION				
At 1 January 2022	82,506	43,218	172	125,896
Charge for year	16,564	-	462	17,026
At 31 December 2022	<u>99,070</u>	<u>43,218</u>	<u>634</u>	<u>142,922</u>
NET BOOK VALUE				
At 31 December 2022	<u>729,130</u>	<u>-</u>	<u>1,894</u>	<u>731,024</u>
At 31 December 2021	<u>745,694</u>	<u>-</u>	<u>43</u>	<u>745,737</u>

MUSLIM COMMUNITY OF ESSEX**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022****10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Prepayments and accrued income	30,000	18,000

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	1,000	1,000
Accrued expenses	2,945	-
	3,945	1,000

12. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	938,234	13,087	951,321
Restricted funds			
Khums - S Imam	32,599	-	32,599
Khums - S Saadat	265	-	265
Building fund	11,171	-	11,171
	44,035	-	44,035
TOTAL FUNDS	982,269	13,087	995,356

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	99,102	(86,015)	13,087
TOTAL FUNDS	99,102	(86,015)	13,087

MUSLIM COMMUNITY OF ESSEX

Notes to the Financial Statements - continued for the Year Ended 31 December 2022

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	939,180	(946)	938,234
Restricted funds			
Khums - S Imam	30,849	1,750	32,599
Khums - S Saadat	265	-	265
Building fund	11,171	-	11,171
	<u>42,285</u>	<u>1,750</u>	<u>44,035</u>
TOTAL FUNDS	<u>981,465</u>	<u>804</u>	<u>982,269</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	58,735	(59,681)	(946)
Restricted funds			
Khums - S Imam	1,750	-	1,750
	<u>60,485</u>	<u>(59,681)</u>	<u>804</u>
TOTAL FUNDS	<u>60,485</u>	<u>(59,681)</u>	<u>804</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/21 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	939,180	12,141	951,321
Restricted funds			
Khums - S Imam	30,849	1,750	32,599
Khums - S Saadat	265	-	265
Building fund	11,171	-	11,171
	<u>42,285</u>	<u>1,750</u>	<u>44,035</u>
TOTAL FUNDS	<u>981,465</u>	<u>13,891</u>	<u>995,356</u>

MUSLIM COMMUNITY OF ESSEX**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022****12. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	157,837	(145,696)	12,141
Restricted funds			
Khums - S Imam	1,750	-	1,750
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>159,587</u>	<u>(145,696)</u>	<u>13,891</u>

13. RELATED PARTY DISCLOSURES

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