

SOUTH ESSEX ISLAMIC TRUST
Unaudited Financial Statements
31 March 2024

SOROBAN ACCOUNTANTS
Chartered Certified Accountants
180 London Road
Romford, Essex
RM7 9EU

SOUTH ESSEX ISLAMIC TRUST

Financial Statements

Year ended 31 March 2024

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SOUTH ESSEX ISLAMIC TRUST

Trustees' Annual Report

Year ended 31 March 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name SOUTH ESSEX ISLAMIC TRUST

Charity registration number 1145311

Principal office Barge Inn
High Road
Vange
Basildon
SS16 4ND

The trustees

H RAFIQ
M RAFIQ
MOHAMMED YAQUB
SALIM WALI
IBRAHIM NISHAD (Resigned 31 August 2023)
NAZIRUDEEN
DR M A AYUB

Independent examiner M A NADEEM - FCCA
180 London Road
Romford, Essex
RM7 9EU

Structure, governance and management

Governing Document

The organisation was registered as a Charity on 06th January 2012 with a declaration of trust dated 15th December 2011 outlining the administration, objects and powers of the charity. The organisation has a constitution which has been amended over the years by means of a number of resolutions passed by the members. The charity's trustees are responsible for the preparation of financial statements in accordance with the Charities Act 2011, Induction and training of new trustees. Newly appointed trustees are provided with a trustees' pack, the Charity Commission guide 'the Essential Trustee' and , financial report, annual report and any strategic and operational plans.

Organisational Structure

The Board of Trustees / Management Committee currently has a total of 6 people. The Trustees are elected every three years by the members. The Board / Management Committee meets regularly at least monthly and more frequently if required. Sub groups are set up as needed to progress specific pieces of work. Recommendations are reported to the full Board meeting for decision. The Board is responsible for the strategic direction and policy of the organisation and for robust governance and rigorous financial management. The Board / Management Committee have a Chairman, Vice Chairman, Secretary and Treasurer as specific office bearers. Sub committees consist of any of the trustees, depending on their individual area of expertise, strength or interest.

SOUTH ESSEX ISLAMIC TRUST

Trustees' Annual Report *(continued)*

Year ended 31 March 2024

Objectives and activities

The trustees must apply the income of the charity in furthering the following objects: 1) to advance the education of the public by providing classes for the teaching of the Quran, Islamic education and Arabic lessons; 2) to enhance the development and education of children under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups; and 3) the relief of financial need and suffering among victims of natural or other kinds of disaster.

Achievements and performance

The organisation has provided religious facilities for prayers. The organisation has provided after Sunday school provision for children from the local area; this includes development of their religious understanding of Islam and other religions, academic studies and sporting and leisure opportunities.

Financial review

The result for the year are shown on page 'Statement of financial Activities'. The progress during the year and the position at the year-end is considered to be satisfactory. The receipts received for the running of the Centre is donations from public.

The trustees' annual report was approved on 24 January 2025 and signed on behalf of the board of trustees by:

H RAFIQ
Trustee

SOUTH ESSEX ISLAMIC TRUST

Independent Examiner's Report to the Trustees of SOUTH ESSEX ISLAMIC TRUST

Year ended 31 March 2024

I report to the trustees on my examination of the financial statements of SOUTH ESSEX ISLAMIC TRUST ('the charity') for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

M A NADEEM - FCCA
Independent Examiner

180 London Road
Romford, Essex
RM7 9EU

SOUTH ESSEX ISLAMIC TRUST

Statement of Financial Activities

Year ended 31 March 2024

			2024		2023
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	114,088	1,643	115,731	200,669
Total income		<u>114,088</u>	<u>1,643</u>	<u>115,731</u>	<u>200,669</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	5	–	1,643	1,643	225
Expenditure on charitable activities	6	56,313	–	56,313	29,728
Total expenditure		<u>56,313</u>	<u>1,643</u>	<u>57,956</u>	<u>29,953</u>
Net income and net movement in funds		<u>57,775</u>	<u>–</u>	<u>57,775</u>	<u>170,716</u>
Reconciliation of funds					
Total funds brought forward		795,680	–	795,680	624,964
Total funds carried forward		<u>853,455</u>	<u>–</u>	<u>853,455</u>	<u>795,680</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

SOUTH ESSEX ISLAMIC TRUST

Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	11	735,589	737,813
Current assets			
Debtors	12	5,215	—
Cash at bank and in hand		112,651	57,867
		<u>117,866</u>	<u>57,867</u>
Net current assets		117,866	57,867
Total assets less current liabilities		<u>853,455</u>	<u>795,680</u>
Funds of the charity			
Unrestricted funds		853,455	795,680
Total charity funds	13	<u>853,455</u>	<u>795,680</u>

These financial statements were approved by the board of trustees and authorised for issue on 24 January 2025, and are signed on behalf of the board by:

H RAFIQ
Trustee

SOUTH ESSEX ISLAMIC TRUST

Statement of Cash Flows

Year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income	57,775	170,716
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,224	2,780
<i>Changes in:</i>		
Trade and other debtors	(5,215)	44,072
Trade and other creditors	—	(111,000)
Cash generated from operations	54,784	106,568
Net cash from operating activities	<u>54,784</u>	<u>106,568</u>
Cash flows from investing activities		
Purchase of tangible assets	—	(99,608)
Net cash used in investing activities	<u>—</u>	<u>(99,608)</u>
Net increase in cash and cash equivalents	54,784	6,960
Cash and cash equivalents at beginning of year	57,867	50,907
Cash and cash equivalents at end of year	<u>112,651</u>	<u>57,867</u>

The notes on pages 7 to 13 form part of these financial statements.

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Barge Inn, High Road, Vange, Basildon, SS16 4ND.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	5% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	104,940	—	104,940
Gift Aid	8,398	—	8,398
Fitra	—	1,643	1,643
Other donations and legacies			
Donated examination fee	750	—	750
	<u>114,088</u>	<u>1,643</u>	<u>115,731</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	196,156	—	196,156
Gift Aid	3,538	—	3,538
Fitra	—	225	225
Other donations and legacies			
Donated examination fee	750	—	750
	<u>200,444</u>	<u>225</u>	<u>200,669</u>

5. Costs of raising donations and legacies

	Restricted Funds £	Total Funds 2024 £	Restricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies - Donations	<u>1,643</u>	<u>1,643</u>	<u>225</u>	<u>225</u>

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Mosque activities	53,337	–	53,337	26,197
Governance costs	–	2,976	2,976	3,531
	<u>53,337</u>	<u>2,976</u>	<u>56,313</u>	<u>29,728</u>

7. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	2,224	2,780
Fees payable for the audit of the financial statements	<u>750</u>	<u>750</u>

8. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>750</u>	<u>750</u>

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 £	2023 £
Wages and salaries	<u>34,531</u>	<u>13,345</u>

The average head count of employees during the year was Nil (2023: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Number of Imam	1	1
Number of Administrative volunteer	<u>5</u>	<u>5</u>
	<u>6</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

10. Trustee remuneration and expenses

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 1. None of the Trustee or Management Committee member were remunerated or paid any expense. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

11. Tangible fixed assets

	Freehold property £
Cost	
At 1 April 2023 and 31 March 2024	740,593
Depreciation	
At 1 April 2023	2,780
Charge for the year	2,224
At 31 March 2024	<u>5,004</u>
Carrying amount	
At 31 March 2024	<u>735,589</u>
At 31 March 2023	<u>737,813</u>

Title deeds relating to property (Barge Inn, High Road, Vange, Basildon, Essex SS16 4ND) is registered in the name of Charity and are held by the Trustees on behalf of the Charity.

12. Debtors

	2024 £	2023 £
Prepayments and accrued income	<u>5,215</u>	<u>–</u>

13. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
General funds	<u>795,680</u>	<u>114,088</u>	<u>(56,313)</u>	<u>853,455</u>

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
General funds	<u>624,964</u>	<u>200,444</u>	<u>(29,728)</u>	<u>795,680</u>

SOUTH ESSEX ISLAMIC TRUST

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

13. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
Restricted Fund	–	1,643	(1,643)	–

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Restricted Fund	–	225	(225)	–

14. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2024
	£	£
Tangible fixed assets	735,589	735,589
Current assets	117,866	117,866
Net assets	853,455	853,455

	Unrestricted Funds	Total Funds 2023
	£	£
Tangible fixed assets	737,813	737,813
Current assets	57,867	57,867
Creditors greater than 1 year	–	–
Net assets	795,680	795,680

15. Analysis of changes in net debt

	At 1 Apr 2023	Cash flows	At 31 Mar 2024
	£	£	£
Cash at bank and in hand	57,867	54,784	112,651

SOUTH ESSEX ISLAMIC TRUST

Management Information

Year ended 31 March 2024

The following pages do not form part of the financial statements.

SOUTH ESSEX ISLAMIC TRUST

Detailed Statement of Financial Activities

Year ended 31 March 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations	104,940	196,156
Gift Aid	8,398	3,538
Fitra	1,643	225
Donated examination fee	750	750
	<u>115,731</u>	<u>200,669</u>
Total income	<u>115,731</u>	<u>200,669</u>
Expenditure		
Costs of raising donations and legacies		
Fitra	<u>1,643</u>	<u>225</u>
Expenditure on charitable activities		
Wages and salaries	34,531	13,345
Rent	525	233
Light and heat	6,818	2,464
Repairs and maintenance	3,973	—
Insurance	722	2,909
Other establishment	—	438
Motor vehicle expenses	—	163
Vehicle leasing/hire	806	5,446
Legal and professional fees	1,691	750
Telephone	1,411	362
Other office costs	2,625	837
Amortisation	985	—
Depreciation	2,226	2,781
	<u>56,313</u>	<u>29,728</u>
Total expenditure	<u>57,956</u>	<u>29,953</u>
Net income	<u>57,775</u>	<u>170,716</u>

SOUTH ESSEX ISLAMIC TRUST

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2024

	2024 £	2023 £
Costs of raising donations and legacies		
Costs of raising donations and legacies - Donations		
Fitra	1,643	225
	<u>1,643</u>	<u>225</u>
Costs of raising donations and legacies	<u>1,643</u>	<u>225</u>
Expenditure on charitable activities		
Mosque activities		
<i>Activities undertaken directly</i>		
Wages/salaries	34,531	13,345
Rent	525	233
Light & heat	6,818	2,464
Repairs & maintenance	3,973	–
Insurance	722	2,909
Iftar cost	–	438
Training	–	163
Donation to other charities	806	5,446
legal and professional fees	941	–
Telephone	1,411	362
Other office costs	2,625	837
Alarm and security	985	–
	<u>53,337</u>	<u>26,197</u>
Governance costs		
Governance costs - examination fee	750	750
Governance costs - depreciation	2,226	2,781
	<u>2,976</u>	<u>3,531</u>
Expenditure on charitable activities	<u>56,313</u>	<u>29,728</u>