

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021  
FOR  
THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

Richmond Gatehouse LLP  
Thames House  
3 Wellington Street  
London  
SE18 6NY

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2021**

---

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 2
<b>Independent Examiner's Report</b>	3
<b>Statement of Financial Activities</b>	4
<b>Balance Sheet</b>	5
<b>Notes to the Financial Statements</b>	6 to 10
<b>Detailed Statement of Financial Activities</b>	11

---

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 June 2021**

---

The trustees present their report with the financial statements of the charity for the year ended 30 June 2021. 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 objective for which the Community is established is to advance the Islamic Religion by all or any of the following means:-

- (a) To promote the Shia Shariat of the Islamic religion as interpreted by the Shia Ithna- Asheri through the Holy Mujtahid of the Shia Ithna-Asheri both in the County of Essex and beyond.
- (b) To secure the provision of Mosques and Imamvades and to provide for the upkeep, restoration and repair of their fabric and the maintenance of the services therein and to supply and embellish the furniture and fittings of such Mosques and Imamvades.
- (c) To maintain and develop the worship and life of the Shia Ithna-Asheri.
- (d) To raise funds and invite and receive contributions from any person or persons whatsoever by way of subscription donation and otherwise provided that the Community shall not undertake any permanent trading activities in raising funds for its charitable objective.
- (e) To do all such other things as shall further the above-mentioned objective.

**Activities**

During the year, the Charity continued with its activities. When planning the activities for the year, the Executive Committee of Management considers the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, the Executive Committee of Management provides activities that enable ordinary people to live out their faith as part of the community through worship, prayer and developing their knowledge.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

**Recruitment and appointment of new trustees**

Trustees are elected from the members by the General body at a General Meeting of the Community. Every two years one Trustee retires by rotation and an election is held. Retiring Trustees are eligible for re-election.

**Organisational structure**

The Management of the Community is undertaken by an Executive Committee of Management, which comprises nine elected members. The Trustees are briefed on the activities of the Community at regular meetings.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

299621

**Principal address**

Ali Reza Islamic Centre  
4 Regina Road  
Chelmsford  
CM1 1PE

**Trustees**

R Mawji  
M Merali  
M Kapasi

THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX

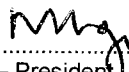
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 June 2021


---

REFERENCE AND ADMINISTRATIVE DETAILS

**Independent Examiner**  
Richmond Gatehouse LLP  
Thames House  
3 Wellington Street  
London  
SE18 6NY

Approved by order of the board of trustees on 30.6.22 and signed on its behalf by:

  
.....  
M Haji – President

  
.....  
N M Zafar – Honourable Treasurer

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

---

**Independent examiner's report to the trustees of The Muslim Shia Ithna-Asheri Jamaat of Essex**

I report to the charity trustees on my examination of the accounts of The Muslim Shia Ithna-Asheri Jamaat of Essex (the Trust) for the year ended 30 June 2021.

**Responsibilities and basis of report**

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

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

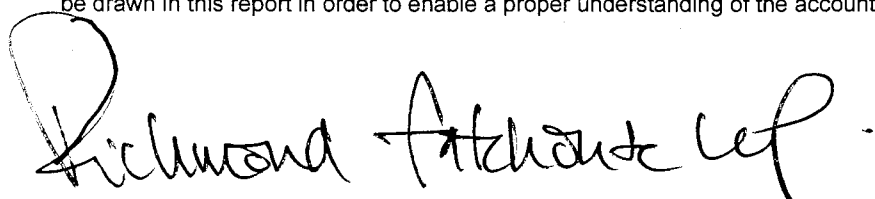
**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of \_ which is one of the listed bodies.

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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.



Richmond Gatehouse LLP  
Thames House  
3 Wellington Street  
London  
SE18 6NY

Date: 30.6.22

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 June 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	663,555	385,484	1,049,039	762,512
Investment income	3	<u>27</u>	<u>-</u>	<u>27</u>	<u>535</u>
<b>Total</b>		663,582	385,484	1,049,066	763,047
<b>EXPENDITURE ON</b>					
Raising funds		19,370	900	20,270	32,991
Other		<u>22,083</u>	<u>-</u>	<u>22,083</u>	<u>24,017</u>
<b>Total</b>		41,453	900	42,353	57,008
<b>NET INCOME</b>		622,129	384,584	1,006,713	706,039
Transfers between funds	9	<u>(576,449)</u>	<u>576,449</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		45,680	961,033	1,006,713	706,039
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>275,828</u>	<u>1,814,620</u>	<u>2,090,448</u>	<u>1,384,409</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>321,508</u>	<u>2,775,653</u>	<u>3,097,161</u>	<u>2,090,448</u>

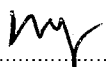
The notes form part of these financial statements

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**BALANCE SHEET  
30 June 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	170,093	3,025,653	3,195,746	2,334,713
<b>CURRENT ASSETS</b>					
Cash at bank		157,895	-	157,895	111,495
<b>CREDITORS</b>					
Amounts falling due within one year	7	(6,480)	-	(6,480)	(5,760)
<b>NET CURRENT ASSETS</b>		<u>151,415</u>	<u>-</u>	<u>151,415</u>	<u>105,735</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		321,508	3,025,653	3,347,161	2,440,448
<b>CREDITORS</b>					
Amounts falling due after more than one year	8	-	(250,000)	(250,000)	(350,000)
<b>NET ASSETS</b>		<u>321,508</u>	<u>2,775,653</u>	<u>3,097,161</u>	<u>2,090,448</u>
<b>FUNDS</b>	9				
Unrestricted funds:					
General fund				321,508	275,828
Restricted funds:					
Building Fund				<u>2,775,653</u>	<u>1,814,620</u>
<b>TOTAL FUNDS</b>				<u>3,097,161</u>	<u>2,090,448</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20.6.22 and were signed on its behalf by:

  
M Haji – President

  
N M Zafar – Honourable Treasurer

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2021

---

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charity, 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 Charities Act 2011. 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 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.

**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
Computer equipment	- 25% on cost

**Taxation**

The charity is exempt from 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. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,008,259	755,095
Gift aid	<u>40,780</u>	<u>7,417</u>
	<u>1,049,039</u>	<u>762,512</u>



**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 June 2021**

**3. INVESTMENT INCOME**

	2021 £	2020 £
Deposit account interest	<u>27</u>	<u>535</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

**5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	117,586	644,926	762,512
Investment income	<u>535</u>	<u>-</u>	<u>535</u>
<b>Total</b>	118,121	644,926	763,047
 <b>EXPENDITURE ON</b>			
Raising funds	3,483	29,508	32,991
Other	<u>24,017</u>	<u>-</u>	<u>24,017</u>
<b>Total</b>	27,500	29,508	57,008
 <b>NET INCOME</b>	90,621	615,418	706,039
<b>Transfers between funds</b>	<u>(190,202)</u>	<u>190,202</u>	<u>-</u>
<b>Net movement in funds</b>	(99,581)	805,620	706,039
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	375,409	1,009,000	1,384,409
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<u>275,828</u>	<u>1,814,620</u>	<u>2,090,448</u>

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 June 2021**

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 July 2020	2,389,434	5,763	299	2,395,496
Additions	<u>861,033</u>	<u>-</u>	<u>-</u>	<u>861,033</u>
At 30 June 2021	<u>3,250,467</u>	<u>5,763</u>	<u>299</u>	<u>3,256,529</u>
<b>DEPRECIATION</b>				
At 1 July 2020 and 30 June 2021	<u>54,721</u>	<u>5,763</u>	<u>299</u>	<u>60,783</u>
<b>NET BOOK VALUE</b>				
At 30 June 2021	<u>3,195,746</u>	<u>-</u>	<u>-</u>	<u>3,195,746</u>
At 30 June 2020	<u>2,334,713</u>	<u>-</u>	<u>-</u>	<u>2,334,713</u>

No depreciation is charged on buildings under construction as the cost of the building is ahead of its productive use.

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Other creditors	<u>6,480</u>	<u>5,760</u>

**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Other creditors	<u>250,000</u>	<u>350,000</u>

**9. MOVEMENT IN FUNDS**

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	275,828	622,129	(576,449)	321,508
<b>Restricted funds</b>				
The Council of European Jamaats	-	76,631	(76,631)	-
Building Fund	<u>1,814,620</u>	<u>307,953</u>	<u>653,080</u>	<u>2,775,653</u>
	<u>1,814,620</u>	<u>384,584</u>	<u>576,449</u>	<u>2,775,653</u>
<b>TOTAL FUNDS</b>	<u>2,090,448</u>	<u>1,006,713</u>	<u>-</u>	<u>3,097,161</u>

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 June 2021**

**9. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	663,582	(41,453)	622,129
<b>Restricted funds</b>			
The Council of European Jamaats	77,531	(900)	76,631
Building Fund	<u>307,953</u>	<u>-</u>	<u>307,953</u>
	<u>385,484</u>	<u>(900)</u>	<u>384,584</u>
<b>TOTAL FUNDS</b>	<u><u>1,049,066</u></u>	<u><u>(42,353)</u></u>	<u><u>1,006,713</u></u>

**Comparatives for movement in funds**

	At 1/7/19 £	Net movement in funds £	Transfers between funds £	At 30/6/20 £
<b>Unrestricted funds</b>				
General fund	375,409	90,621	(190,202)	275,828
<b>Restricted funds</b>				
The Council of European Jamaats	62,270	210,794	(273,064)	-
Building Fund	<u>946,730</u>	<u>404,624</u>	<u>463,266</u>	<u>1,814,620</u>
	<u>1,009,000</u>	<u>615,418</u>	<u>190,202</u>	<u>1,814,620</u>
<b>TOTAL FUNDS</b>	<u><u>1,384,409</u></u>	<u><u>706,039</u></u>	<u><u>-</u></u>	<u><u>2,090,448</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	118,121	(27,500)	90,621
<b>Restricted funds</b>			
The Council of European Jamaats	240,302	(29,508)	210,794
Building Fund	<u>404,624</u>	<u>-</u>	<u>404,624</u>
	<u>644,926</u>	<u>(29,508)</u>	<u>615,418</u>
<b>TOTAL FUNDS</b>	<u><u>763,047</u></u>	<u><u>(57,008)</u></u>	<u><u>706,039</u></u>

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 June 2021**

**9. MOVEMENT IN FUNDS - continued**

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

	At 1/7/19 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	375,409	712,750	(766,651)	321,508
<b>Restricted funds</b>				
The Council of European Jamaats	62,270	287,425	(349,695)	-
Building Fund	<u>946,730</u>	<u>712,577</u>	<u>1,116,346</u>	<u>2,775,653</u>
	<u>1,009,000</u>	<u>1,000,002</u>	<u>766,651</u>	<u>2,775,653</u>
<b>TOTAL FUNDS</b>	<u><u>1,384,409</u></u>	<u><u>1,712,752</u></u>	<u><u>-</u></u>	<u><u>3,097,161</u></u>

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 £
<b>Unrestricted funds</b>			
General fund	781,703	(68,953)	712,750
<b>Restricted funds</b>			
The Council of European Jamaats	317,833	(30,408)	287,425
Building Fund	<u>712,577</u>	<u>-</u>	<u>712,577</u>
	<u>1,030,410</u>	<u>(30,408)</u>	<u>1,000,002</u>
<b>TOTAL FUNDS</b>	<u><u>1,812,113</u></u>	<u><u>(99,361)</u></u>	<u><u>1,712,752</u></u>

**10. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 30 June 2021.

**THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF  
ESSEX**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 June 2021**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS</b>				
<b>Donations and legacies</b>				
Donations	622,775	385,484	1,008,259	755,095
Gift aid	<u>40,780</u>	<u>-</u>	<u>40,780</u>	<u>7,417</u>
	663,555	385,484	1,049,039	762,512
<b>Investment income</b>				
Deposit account interest	<u>27</u>	<u>-</u>	<u>27</u>	<u>535</u>
<b>Total incoming resources</b>	663,582	385,484	1,049,066	763,047
<b>EXPENDITURE</b>				
<b>Raising donations and legacies</b>				
Insurance	7,542	-	7,542	867
Eid gifts and donations	<u>11,828</u>	<u>-</u>	<u>11,828</u>	<u>31,144</u>
	19,370	-	19,370	32,011
<b>Support costs</b>				
<b>Management</b>				
Light and heat	1,076	-	1,076	927
Postage and stationery	-	-	-	146
Madressa expenses	75	-	75	1,794
Marquee and Nyaz	-	-	-	1,334
Aalim grant and Hadya	14,157	-	14,157	11,545
Hall Hire	777	-	777	7,047
Subscriptions	<u>-</u>	<u>900</u>	<u>900</u>	<u>980</u>
	16,085	900	16,985	23,773
<b>Finance</b>				
Telephone	37	-	37	-
Bank charges	<u>302</u>	<u>-</u>	<u>302</u>	<u>429</u>
	339	-	339	429
<b>Other</b>				
Computer equipment	-	-	-	75
<b>Governance costs</b>				
Sundries	4,886	-	4,886	-
Accountancy and legal fees	<u>773</u>	<u>-</u>	<u>773</u>	<u>720</u>
	5,659	-	5,659	720
<b>Total resources expended</b>	<u>41,453</u>	<u>900</u>	<u>42,353</u>	<u>57,008</u>
<b>Net income</b>	<u>622,129</u>	<u>384,584</u>	<u>1,006,713</u>	<u>706,039</u>

This page does not form part of the statutory financial statements