

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022
FOR
THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF
ESSEX**

SAAP & Associates Limited
Thames House, 2nd Floor
3 Wellington Street
London
SE18 6NY

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

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FOR THE YEAR ENDED 30 June 2022**

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 June 2022**

The trustees present their report with the financial statements of the charity for the year ended 30 June 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 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
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 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Pitamber Karki

SAAP & Associates Limited


Thames House, 2nd Floor

3 Wellington Street

London

SE18 6NY

Approved by order of the board of trustees on30/8/2021..... and signed on its behalf by:


.....
S Manji - President

**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 2022.

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 member of the Association of Chartered Certified Accountants, 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.



Pitamber Karki
The Association of Chartered Certified Accountants

SAAP & Associates Limited
Thames House, 2nd Floor
3 Wellington Street
London
SE18 6NY

Date: 30/08/2023

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

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 June 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	275,960	36,154	312,114	1,049,039
Investment income	3	<u>11</u>	<u>-</u>	<u>11</u>	<u>27</u>
Total		<u>275,971</u>	<u>36,154</u>	<u>312,125</u>	<u>1,049,066</u>
EXPENDITURE ON					
Raising funds		5,448	400	5,848	20,270
Other		<u>46,937</u>	<u>-</u>	<u>46,937</u>	<u>22,083</u>
Total		<u>52,385</u>	<u>400</u>	<u>52,785</u>	<u>42,353</u>
NET INCOME					
Transfers between funds	9	<u>223,586</u> <u>(280,459)</u>	<u>35,754</u> <u>280,459</u>	<u>259,340</u> <u>-</u>	<u>1,006,713</u> <u>-</u>
Net movement in funds		(56,873)	316,213	259,340	1,006,713
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>321,508</u>	<u>2,775,653</u>	<u>3,097,161</u>	<u>2,090,448</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>264,635</u></u>	<u><u>3,091,866</u></u>	<u><u>3,356,501</u></u>	<u><u>3,097,161</u></u>

The notes form part of these financial statements

THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF
ESSEX

BALANCE SHEET
30 June 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	6	175,552	3,341,866	3,517,418	3,195,746
CURRENT ASSETS					
Cash at bank		46,282	-	46,282	157,895
CREDITORS					
Amounts falling due within one year	7	(7,199)	-	(7,199)	(6,480)
NET CURRENT ASSETS		<u>39,083</u>	<u>-</u>	<u>39,083</u>	<u>151,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		214,635	3,341,866	3,556,501	3,347,161
CREDITORS					
Amounts falling due after more than one year	8	50,000	(250,000)	(200,000)	(250,000)
NET ASSETS		<u>264,635</u>	<u>3,091,866</u>	<u>3,356,501</u>	<u>3,097,161</u>
FUNDS	9				
Unrestricted funds:					
General fund				264,635	321,508
Restricted funds:					
Building Fund				<u>3,091,866</u>	<u>2,775,653</u>
TOTAL FUNDS				<u>3,356,501</u>	<u>3,097,161</u>

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

S Ratahsi - Treasurer

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2022

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
Fixtures and fittings	- 25% 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

	2022	2021
	£	£
Donations	294,475	1,008,259
Gift aid	<u>17,639</u>	<u>40,780</u>
	<u>312,114</u>	<u>1,049,039</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 June 2022

3. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>11</u>	<u>27</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 nor for the year ended 30 June 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 June 2022

6. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 July 2021	3,250,467	5,763	299	3,256,529
Additions	<u>316,213</u>	<u>6,569</u>	<u>710</u>	<u>323,492</u>
At 30 June 2022	<u>3,566,680</u>	<u>12,332</u>	<u>1,009</u>	<u>3,580,021</u>
DEPRECIATION				
At 1 July 2021	54,721	5,763	299	60,783
Charge for year	<u>-</u>	<u>1,642</u>	<u>178</u>	<u>1,820</u>
At 30 June 2022	<u>54,721</u>	<u>7,405</u>	<u>477</u>	<u>62,603</u>
NET BOOK VALUE				
At 30 June 2022	<u>3,511,959</u>	<u>4,927</u>	<u>532</u>	<u>3,517,418</u>
At 30 June 2021	<u>3,195,746</u>	<u>-</u>	<u>-</u>	<u>3,195,746</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

	2022 £	2021 £
Other creditors	<u>7,199</u>	<u>6,480</u>

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

	2022 £	2021 £
Other creditors	<u>200,000</u>	<u>250,000</u>

9. MOVEMENT IN FUNDS

	At 1/7/21 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
Unrestricted funds				
General fund	321,508	223,586	(280,459)	264,635
Restricted funds				
The Council of European Jamaats	-	850	(850)	-
Building Fund	<u>2,775,653</u>	<u>34,904</u>	<u>281,309</u>	<u>3,091,866</u>
	<u>2,775,653</u>	<u>35,754</u>	<u>280,459</u>	<u>3,091,866</u>
TOTAL FUNDS	<u>3,097,161</u>	<u>259,340</u>	<u>-</u>	<u>3,356,501</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 June 2022

9. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	275,971	(52,385)	223,586
Restricted funds			
The Council of European Jamaats	1,250	(400)	850
Building Fund	<u>34,904</u>	<u>-</u>	<u>34,904</u>
	<u>36,154</u>	<u>(400)</u>	<u>35,754</u>
TOTAL FUNDS	<u><u>312,125</u></u>	<u><u>(52,785)</u></u>	<u><u>259,340</u></u>

Comparatives for movement in funds

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
Unrestricted funds				
General fund	275,828	622,129	(576,449)	321,508
Restricted funds				
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>
TOTAL FUNDS	<u><u>2,090,448</u></u>	<u><u>1,006,713</u></u>	<u><u>-</u></u>	<u><u>3,097,161</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	663,582	(41,453)	622,129
Restricted funds			
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>
TOTAL FUNDS	<u><u>1,049,066</u></u>	<u><u>(42,353)</u></u>	<u><u>1,006,713</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 June 2022

9. MOVEMENT IN FUNDS - continued

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

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
Unrestricted funds				
General fund	275,828	845,715	(856,908)	264,635
Restricted funds				
The Council of European Jamaats	-	77,481	(77,481)	-
Building Fund	<u>1,814,620</u>	<u>342,857</u>	<u>934,389</u>	<u>3,091,866</u>
	<u>1,814,620</u>	<u>420,338</u>	<u>856,908</u>	<u>3,091,866</u>
TOTAL FUNDS	<u>2,090,448</u>	<u>1,266,053</u>	<u>-</u>	<u>3,356,501</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 £
Unrestricted funds			
General fund	939,553	(93,838)	845,715
Restricted funds			
The Council of European Jamaats	78,781	(1,300)	77,481
Building Fund	<u>342,857</u>	<u>-</u>	<u>342,857</u>
	<u>421,638</u>	<u>(1,300)</u>	<u>420,338</u>
TOTAL FUNDS	<u>1,361,191</u>	<u>(95,138)</u>	<u>1,266,053</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2022.

THE MUSLIM SHIA ITHNA-ASHERI JAMAAT OF
ESSEX

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 June 2022

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	258,321	36,154	294,475	1,008,259
Gift aid	<u>17,639</u>	<u>-</u>	<u>17,639</u>	<u>40,780</u>
	275,960	36,154	312,114	1,049,039
Investment income				
Deposit account interest	<u>11</u>	<u>-</u>	<u>11</u>	<u>27</u>
Total incoming resources	275,971	36,154	312,125	1,049,066
EXPENDITURE				
Raising donations and legacies				
Insurance	5,338	-	5,338	7,542
Eid gifts and donations	<u>110</u>	<u>-</u>	<u>110</u>	<u>11,828</u>
	5,448	-	5,448	19,370
Support costs				
Management				
Light and heat	3,397	-	3,397	1,076
Postage and stationery	310	-	310	-
Madressa expenses	2,118	-	2,118	75
Marquee and Nyaz	6,401	-	6,401	-
Aalim grant and Hadya	17,075	-	17,075	14,157
Hall Hire	600	-	600	777
Subscriptions	-	400	400	900
Travel expenses	<u>1,652</u>	<u>-</u>	<u>1,652</u>	<u>-</u>
	31,553	400	31,953	16,985
Finance				
Telephone	371	-	371	37
Bank charges	<u>254</u>	<u>-</u>	<u>254</u>	<u>302</u>
	625	-	625	339
Information technology				
Repairs and renewals	6,261	-	6,261	-
Other				
Fixtures and fittings	1,642	-	1,642	-
Computer equipment	<u>178</u>	<u>-</u>	<u>178</u>	<u>-</u>
	1,820	-	1,820	-
Governance costs				
Sundries	5,692	-	5,692	4,886
Carried forward	5,692	-	5,692	4,886

This page does not form part of the statutory financial statements

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 June 2022**

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Governance costs				
Brought forward	5,692	-	5,692	4,886
Accountancy and legal fees	<u>986</u>	<u>-</u>	<u>986</u>	<u>773</u>
	<u>6,678</u>	<u>-</u>	<u>6,678</u>	<u>5,659</u>
Total resources expended	<u>52,385</u>	<u>400</u>	<u>52,785</u>	<u>42,353</u>
Net income	<u><u>223,586</u></u>	<u><u>35,754</u></u>	<u><u>259,340</u></u>	<u><u>1,006,713</u></u>

This page does not form part of the statutory financial statements