

THE MUSLIM EDUCATIONAL TRUST

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 5TH APRIL 2024

CHARITY REGISTRATION NUMBER 313192

THE MUSLIM EDUCATIONAL TRUST
INDEX TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2024

<u>Contents</u>	<u>Page</u>
Trust Information	1
Trustees' Annual Report	2-3
Independent Examiner's Report	4
Statement of Financial Activities	5
Sale of Publications Account	6
Balance Sheet	7
Notes to the Financial Accounts	8-11

THE MUSLIM EDUCATIONAL TRUST

TRUST INFORMATION

Trustees: Dr. Zahirul Huq BSc, MBChB
Dr. Shaikh Muhammad Shahadat Husain MBBS, DA (London)
Dr. Faruq Nurul Arefin MBBS, PLAB (UK), USMLE
Dr. A.B.M. Nazem MBBS
Professor Ghulam Sarwar M. Com, FRSA
Ms Farhat Yasmeen Sarwar BSc, PGCE
Ms Sultana Nasreen Sarwar MA, PGCE
Mr Hasan Abdullah Faruq Sarwar (appointed 17/08/2024)

**Charity Registration
Number:** 313192

Registered Office: 130 Stroud Green Road
London
N4 3RZ

Accountants: Sabera & Co
Chartered Accountants
126 Middlesex Street
London
E1 7HY

THE MUSLIM EDUCATIONAL TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5TH APRIL 2024

The Muslim Educational Trust is a registered Charity (Registration Number: 313192). It was set up in 1966. The Trust is situated at 130 Stroud Green Road, London, N4 3RZ.

The Trustees of the Charity to the year 5th April 2024 are:

Dr Zahirul Huq, B.Sc, MBChB (appointed: November 1999)
Dr S M Shahadat Husain, MBBS, DA (London) (appointed: October 2002)
Dr Faruq Nurul Arefin, MBBS, PLAB (UK), USMLE (appointed: December 2002)
Dr A B M Nazem, MBBS (appointed: August 2005)
Professor Ghulam Sarwar, M. Com., FRSA (appointed: January 2010)
Ms Farhat Yasmeen Sarwar BSc, PGCE (appointed: 12 March 2016)
Ms Sultana Nasreen Sarwar MA, PGCE (appointed: 12 March 2016)

Mr Hasan Abdullah Faruq Sarwar was appointed as Trustee on 17/08/2024.

The objectives of the Charity as per its Deed of Declaration of Trust (last amended 31st July 2010) include the following:

- a. To contribute to the spiritual, moral, mental and physical development of the Muslim community in the UK by securing efficient education of Muslim children in the primary and secondary schools.
- b. To arrange for the religious education of Muslim children in British schools based on the teachings of the Qur'an and Sunnah.
- c. To provide within the means of the Trust education facilities and ancillary services in the UK.
- d. To manage and equip staff, and maintain educational institutions
- e. To purchase, take on lease hire or otherwise acquire and dispose of any real, personal or any other property and any rights or privileges necessary or convenient for the purposes of the Trust.
- f. To publish Islamic books, journals, magazines, teaching aids and award scholarships to Muslim students in the UK and elsewhere.

During the year, the Charity has continued to carry out the publishing and sale organisation of its books and poster publications designed to provide benefit for the Muslim community, in raising awareness and by way of provision of education through its publications. In carrying out these activities the Trustees have made due consideration of the Charity Commission's guidance on public benefit, including when exercising any powers or carrying out any duties to which the guidance is relevant.

The charity is managed by a Board of Trustees and is funded by the profit/(loss) derived from the sale proceeds of the books and educational materials published by it, rental income from renting four rooms of the freehold property where its offices are located and from the sale proceeds of its freehold property at 48, Lancaster Road, London N4 during 2008.

The Charity's total sales income from its sale of publications during the year amounted to £29,694 and after cost of sales of £13,760 and total expenditure of £34,771, a net loss of £18,837 arises.

The Charity received a total net rental income of £24,318 (calculated as gross rental income of £30,500 deducting rental expenses of £6,182).

The Charity's total income for the year was £64,580 comprising gross rent received of £30,500, interest from bank & investment deposits of £3,598, gross sales from the sale of publications of £29,694 and other charity income of £788.

The total expenditure of the charity for the year was £73,530 (including sales of publication expenses of £48,531 and rental income expenses of £6,182). The deficit for the year was £8,950 which was met from the unspent sale proceeds derived in 2008 from the sale of the property at 48 Lancaster Road, London N4.

THE MUSLIM EDUCATIONAL TRUST
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 5TH APRIL 2024
CONTINUATION PAGE

The Trustees decided to discontinue the grants paid to the UK Islamic Association from December 2011 and also to continue the grant paid to Darul Khidmah Wal Falah, UK to be used in Bangladesh.

As at 5th April 2024, the Trust has two part-time employees.

As advised by the accountant of the Charity, the trustees continued to review the amount of bank deposits held with one bank in consideration of the compensation limits set by the Financial Services Compensation Scheme (FSCS).

The Chairman of the Board of Trustees, Professor Ghulam Sarwar has been running the Trust on a voluntary basis since 4th January 2010.

Reserves Policy

As detailed above the Trust receives income through the sale of its publications and through rental income of its property. The operational costs of the charity are met through this income. It has been noted that over the past years the Trust has been arriving at a net deficit position for the accounting year.

The Trustees believe that the level of reserves held should be able to allow the Trust to meet its charitable objectives and also to meet any net deficit position arising and also for any unforeseen risks and contingencies.

At the Year Ended 5th April 2024 the total unrestricted reserves held amounted to £278,962. This level of reserves has been built up from the sale proceeds derived in 2008 from the property situated at 48 Lancaster Road, London, N4. The Trustees undertake to maintain this level of reserves which has been decreasing each year in order to meet yearly operating activities and expenses. The Trustees confirm that utilising these sale proceeds against operating costs of the charity is permitted in their governing documents.

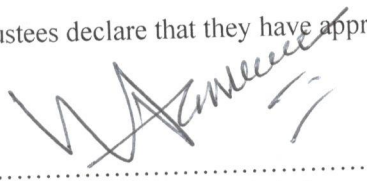
The level of reserves required and the reserves policy will be reviewed on an annual basis by the Trustees. The Trust is considering ways to increase its sales income from the sale of publications of its books and journals. The amount held in reserves is monitored regularly by the Trustees during each financial year.

Coronavirus

During the year under review, the Charity's work was impacted by the Covid 19 pandemic apart from the global slowdown of the Islamic publications market. However, the trustees are conscious of their responsibilities and have been doing their best to keep the charity running, meeting the educational needs of the Muslim community despite sustaining losses over the years. Please also refer to Note 1 of the Accounts with regard to the Trustees assessment of going concern.

There is nothing more to report for the year ended 5th April 2024.

The trustees declare that they have approved the Trustees' Annual Report above.


.....
Professor Ghulam Sarwar (Chairman, Board of Trustees)
For and on behalf of the Trustees of The Muslim Educational Trust

Dated: 15th November 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE MUSLIM EDUCATIONAL TRUST (CHARITY NUMBER: 313192)
ON THE ACCOUNTS FOR THE YEAR ENDED 5TH APRIL 2024

I report to the charity Trustees on my examination of the accounts of The Muslim Educational Trust (the Trust) for the year ended 5th April 2024.

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 2011 Act. In carrying out my examination I have followed all the applicable 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 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.

Other matter of concern identified:

During the year ended 05/04/2024, the Charity's Santander Bank Accounts were closed by the bank and the money was transferred to the Charity's Barclays Bank Account. Details of this transaction were not available whilst preparing these Accounts.

I confirm there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Sabera Patel

Sabera Patel FCA, ATT (Fellow)
Sabera & Co. Chartered Accountants
126 Middlesex Street, London, E1 7HY

Dated: 15th November 2024

THE MUSLIM EDUCATIONAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 5TH APRIL 2024

Income & Expenditure

	<u>Notes</u>	Unrestricted Fund <u>2024</u>	Unrestricted Fund <u>2023</u>
		£	£
<u>INCOME:</u>			
<u>Income from Assets</u>			
Gross Rental Income Received	3	30,500	30,684
Interest Receivable from Short Term & Bank Deposits	4	3,598	608
<u>Less: Donations to Charity</u>		<u>(0)</u> 3,598	<u>(0)</u> 608
		34,098	31,292
<u>Income from Charitable Activities</u>			
Gross Sales from Sale of Publications	1	29,694	27,314
Other Charity Income	1	788	0
<u>Total Income for the Year</u>	13	<u><u>64,580</u></u>	<u><u>58,606</u></u>
<u>EXPENDITURE</u>			
<u>Rental Income Expenses</u>			
Managing Agent Commission		3,050	3,143
Council Tax		1,992	1,880
Other Letting Expenses		1,140	3,387
	3	<u>6,182</u>	<u>8,410</u>
<u>Sale of Publications Expenses (Charitable Expenditure)</u>			
Cost of Sales		13,760	13,445
Direct Expenses		<u>34,771</u>	<u>35,321</u>
		48,531	48,766
<u>Direct Charitable Expenditure</u>			
Staff Salaries	6	4,050	2,531
Travel Expenses		759	648
Educational Grants Paid	7	4,800	4,800
Subscriptions & Periodicals	9	198	187
		<u>9,807</u>	<u>8,166</u>
<u>Indirect Charitable Expenditure</u>			
Rates and Water		1,818	1,671
Light & Heat		2,337	1,115
Insurance		550	620
Telephone, Fax & Internet		695	559
Printing, Postage & Stationery		572	1,885
Repairs & Maintenance		242	3,021
Accountancy Fee	5	1,100	1,100
Other Professional		150	180
Bank Charges		90	156
Travel Expenses		47	377
General Expenses		906	883
Amortisation		65	65
Depreciation		438	507
		<u>9,010</u>	<u>12,139</u>
<u>Total Expenditure</u>	13	<u><u>73,530</u></u>	<u><u>77,481</u></u>
<u>Net Income/(Expenditure) for the Year</u>		(8,950)	(18,875)
Accumulated Fund brought forward at 6.4.2023		<u>287,912</u>	<u>306,787</u>
Accumulated Fund carried forward at 5.4.2024	13	<u><u>278,962</u></u>	<u><u>287,912</u></u>

THE MUSLIM EDUCATIONAL TRUST
SALE OF PUBLICATIONS ACCOUNT
FOR THE YEAR ENDED 5TH APRIL 2024

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
		£	£
Total Sales for the year (As per Statement of Financial Activities)		29,694	27,314
<u>Less: Cost Of Sales</u>			
Opening Stock at cost		21,518	10,165
Printing Costs during the year		5,688	24,798
		<u>27,206</u>	<u>34,963</u>
<u>Deduct:</u>			
Closing Stock at Cost	1	<u>(13,446)</u>	<u>(21,518)</u>
Cost of Sales: Per Statement of Financial Activities:		<u>13,760</u>	<u>13,445</u>
<u>Gross Profit</u>		<u>15,934</u>	<u>13,869</u>
<u>Less Expenses:</u>			
Sales Staff Salaries & Subcontractor	6	18,360	19,798
Travelling Expenses		3,544	2,672
Royalties Payable	8	2,969	2,731
Freight & Delivery		4,034	4,922
Software Costs		487	453
Postage		31	31
Stationery & Photocopying		565	1,877
Light & Heat		2,337	1,115
Telephone, Fax & Internet		1,043	839
Sales Bad Debt		495	0
General Expenses		906	883
Total Expenses: Per Statement of Financial Activities		<u>34,771</u>	<u>35,321</u>
<u>Net Profit/(Loss) for the Year</u>		<u>(18,837)</u>	<u>(21,452)</u>
<u>on Sales of Publications</u>		<u><u> </u></u>	<u><u> </u></u>

THE MUSLIM EDUCATIONAL TRUST
BALANCE SHEET AS AT 5TH APRIL 2024

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
		£	£
<u>Fixed Assets</u>			
<u>Tangible & Intangible Assets</u>			
<u>Freehold Premises:</u>			
130 Stroud Green Road, London N4 at cost		24,132	24,132
<u>Improvements</u> - Balance brought forward at 6.4.2023		49,667	49,667
<u>Improvement</u> additions during the year		<u>0</u>	<u>0</u>
		49,667	49,667
		<u>73,799</u>	<u>73,799</u>
<u>Intangible Fixed Asset</u>			
Website at Cost		649	649
<u>Less: Amortisation</u>		<u>(195)</u>	<u>(130)</u>
		454	519
<u>Fixtures, Fittings, Furniture & Equipment</u>			
Balance brought forward at 6.4.2023		61,360	61,127
Additions during the year		<u>44</u>	<u>233</u>
		61,404	61,360
<u>Less: Depreciation</u>	2	<u>58,923</u>	<u>58,485</u>
		2,481	2,875
<u>Library Books</u>			
Balance brought forward at 6.4.2023		7,932	7,932
Additions		<u>0</u>	<u>0</u>
	2	<u>84,666</u>	<u>85,125</u>
<u>Current Assets</u>			
Stock of Publications at cost	1	13,447	21,518
Debtors and Prepayments	10	13,933	10,284
Investments	11	121,299	40,808
Cash at Bank		49,826	134,724
Cash in Hand		<u>598</u>	<u>1,312</u>
		199,103	208,646
<u>Less: Current Liabilities (Due within one year)</u>			
Sundry Creditors and Accruals	12	<u>(4,807)</u>	<u>(5,859)</u>
<u>Net Current Assets</u>		<u>194,296</u>	<u>202,787</u>
<u>Total Net Assets</u>		<u><u>278,962</u></u>	<u><u>287,912</u></u>
<u>Represented By:</u>			
<u>Unrestricted Accumulated Fund</u>	13	<u><u>278,962</u></u>	<u><u>287,912</u></u>



.....
Professor Ghulam Sarwar (Chairman, Board of Trustees)

For and on behalf of the Board of Trustees of The Muslim Educational Trust

Dated: 15th November 2024

THE MUSLIM EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2024

1) ACCOUNTING POLICIES

General

These Accounts have been prepared under the historical cost convention and 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), FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland) and the Charities Act 2011.

Depreciation/Amortisation Policy

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the annual rate in order to write off each asset over its estimated useful economic life.

The depreciation rate for Fixtures, Fittings & Office Equipment held for use by the charity is 15% on the reducing balance basis.

Freehold Premises with a long useful economic life is not depreciated.

Amortisation on Intangible Fixed Asset is straight line over 10 years.

Profit/(Loss) from the Sale of Publications

The gross income generated from the sale of the Trust's book publications and related expenditure is shown separately under the Statement of Financial Activities. Please refer to the Sale of Publications Account which computes the net income/(loss) derived from this activity.

Under the Sale of Publications Account, total sales income is shown on a receivable basis, representing the invoiced value of Trust publications during the year.

Stock is valued at the lower of cost and net realisable value.

Income from Assets

Interest from Short Term & Bank Deposits is recognised when receivable.

Rental Income is recognised on a received basis.

Trade Debtors

Trade debtors are amounts due to the Trust from customers for the sale of books and publications measured at invoiced amounts after any discounts.

Creditors

Creditors are measured at settlement amount after any discounts.

Public Benefit Entity Statement

The Trust is a public benefit entity. Please refer to the Trustees' Annual Report for comments made in respect of adherence to the Charity Commission's guidance on public benefit.

Going Concern

These financial accounts have been prepared on a going concern basis, based on the assessment made by the Trustees. The Trustees have explained that the Trust has been meeting a significant educational need of the Muslim community. The Trustees believe that the Trust will sustain for nearly another ten to fifteen years based on the present financial situation. The Trustees have mentioned that some of the present Trustees are young professionals who are aiming to steer the Trust and keep it running for meeting the educational needs of the Muslim community for which the charity was set up. The Trustees have commented that they are ensuring that income is continued to be derived from the sale of its books and publications and from rental income and that they are trying to keep expenses to the minimum.

The Trustees have also mentioned that during the year under review, the charity's work was impacted by the Covid 19 pandemic apart from the global slowdown of the islamic publications market. The Trustees have commented they are conscious of their responsibilities and have been doing their best to steer the charity as a going concern despite sustaining losses over the years.

THE MUSLIM EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2024

1) ACCOUNTING POLICIES (CONTINUED)

Taxation

As the Trust is a registered charity, it is exempt from taxation on its income derived from charitable activities.

Defined contribution pension scheme

The Trust pays into a defined contribution occupational pension scheme for its employee. Contributions are expensed as they become payable.

Other Charity Income

During the year the Trust received other Income of £788. This income relates to the Trust allowing the right to an Indian Publisher of books, to publish a book of the Trust in India.

2) FIXED ASSETS FOR USE BY THE CHARITY

	<u>Intangible Fixtures, Fittings</u>				
	<u>Freehold</u>	<u>Fixed</u>	<u>& Office</u>	<u>Library</u>	
	<u>Premises</u>	<u>Asset</u>	<u>Equipment</u>	<u>Books</u>	<u>Total</u>
	£	£	£	£	£
<u>Cost:</u>					
At 6th April 2023	24,132	649	61,360	7,932	94,073
Improvements bfwd at 6th April 2023	49,667	0	-	-	49,667
Additions during the year	0	0	44	0	44
Cost of Disposals	0	0	0	0	0
At 5th April 2024	73,799	649	61,404	7,932	143,784
<u>Depreciation/Amortisation</u>					
At 6th April 2023	0	130	58,485	0	58,615
Charge for the year	0	65	438	0	503
Depreciation of Disposals	0	0	0	0	0
At 5th April 2024	0	195	58,923	0	59,118
Net Book Value at 5th April 2024	73,799	454	2,481	7,932	84,666
Net Book Value at 5th April 2023	73,799	519	2,875	7,932	85,125
			2024	2023	
			£	£	

3) RENTAL INCOME RECEIVED

Re: 130 Stroud Green Road, London N4.

Gross Rental Income	30,500	30,684
Less: Rental Income Expenses	(6,182)	(8,410)
Net Rental Income	<u>24,318</u>	<u>22,274</u>

4) INTEREST RECEIVED

Money Market Deposits	3,057	422
Deposit Accounts	491	60
Bank Accounts	50	126
	<u>3,598</u>	<u>608</u>

THE MUSLIM EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2024

	<u>2024</u>	<u>2023</u>
	£	£
5) ACCOUNTANCY FEE		
Independent Examination	<u>1,100</u>	<u>1,100</u>

6) STAFF REMUNERATION & SUBCONTRACTOR

Staff Salaries (Direct Charitable Expenditure)	4,050	2,531
Sales Staff Salaries & Subcontractor (Sale of Publications)	<u>18,360</u>	<u>19,798</u>
	<u>22,410</u>	<u>22,329</u>

Analysed as follows:

Salaries	19,875	12,000
Subcontractor	2,160	9,675
Employer contributions to defined contribution pension scheme	375	269
Employer National Insurance	<u>0</u>	<u>385</u>
	<u>22,410</u>	<u>22,329</u>

Average number of paid staff during the year	2	1
--	---	---

During the year there had been £nil Administrative salaries as this work had been carried out by one of the trustees on a voluntary basis.

There are no employees who received remuneration of more than £60,000 during the year.

Related Party:

The Trust employs Dr M. K. Hasan who was paid a salary of £12,000, travel allowance of £3,300 and employer contributions into occupational pension scheme of £279. Dr M. K. Hasan is the spouse of the Trustee Ms Sultana Nasreen Sarwar.

7) EDUCATIONAL GRANTS PAID

Darul Khidmah Wal Falah, UK	<u>4,800</u>	<u>4,800</u>
-----------------------------	--------------	--------------

Related Parties:

The following Trustees are also Trustees of Darul Khidmah Wal Falah, UK:

- 1) Professor Ghulam Sarwar
- 2) Dr Faruq Nurul Arefin
- 3) Dr Zahirul Huq
- 4) Ms Sultana Nasreen Sarwar

THE MUSLIM EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 5TH APRIL 2024

	<u>2024</u>	<u>2023</u>
	£	£
8) ROYALTIES PAYABLE TO TRUSTEE		
Royalties Payable	<u>2,969</u>	<u>2,731</u>

The royalty is payable to the trustee Professor Ghulam Sarwar as Author of the books published by the Trust. Payment of royalties to the trustee (calculated at 10% of gross sales of Trust publications during the year) had been agreed and approved by the other trustees, who acknowledged that the trustee has been the sole Author of the publications unique to the Trust. In carrying out this activity, it was agreed that the trustee had acted over and above normal trustee duties. This point was examined with reference to the Charity Commission guidelines and it is concluded that it is in accordance therewith.

There were no other Trustees' remuneration or other benefits paid to the Trustees by the Trust.

9) TRUSTEE EXPENSES (SUBSCRIPTIONS & PERIODICALS)

During the year one of the Trustees incurred membership subscription expense as follows which was paid for by the Trust:

Membership Subscription to The Royal Society for the encouragement of Arts, Manufactures & Commerce	<u>198</u>	<u>187</u>
---	------------	------------

10) DEBTORS AND PREPAYMENTS

Debtors (re Invoiced Trust Publications)	13,454	6,727
Sundry Debtors	170	500
Prepayments	<u>309</u>	<u>3,057</u>
	<u>13,933</u>	<u>10,284</u>

11) INVESTMENTS HELD

Base Rate Deposit	41,299	40,808
Money Market Deposit	<u>80,000</u>	<u>0</u>
	<u>121,299</u>	<u>40,808</u>

12) SUNDRY CREDITORS AND ACCRUALS

Sundry Creditors	13	1,934
Accrued expenses	<u>4,794</u>	<u>3,925</u>
	<u>4,807</u>	<u>5,859</u>

13) MOVEMENT IN FUND

	<u>Balance</u>			<u>Balance</u>
	<u>At 6/4/2023</u>	<u>Income</u>	<u>Expenditure</u>	<u>At 5/4/2024</u>
	£	£	£	£
Restricted Fund	0	0	0	0
Unrestricted Fund	287,912	64,580	(73,530)	278,962
Total Funds	<u>287,912</u>	<u>64,580</u>	<u>(73,530)</u>	<u>278,962</u>