

# **EAST LONDON MOSQUE TRUST**

(A Company Limited by Guarantee)

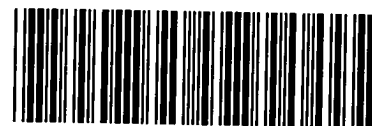
Company Number: 0468317 • Charity Registration Number: 1122613

## **TRUSTEES REPORT AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2015

**ABACUS PARTNERS (LDN) LLP**  
CHARTERED CERTIFIED ACCOUNTANTS & STATUTORY AUDITORS  
UNIT A, ABBOTTS WHARF, 93 STAINSBY ROAD, LONDON E14 6JL

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**East London Mosque Trust – also known as the London Muslim Centre**

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East London Mosque Trust – also known as the London Muslim Centre

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2015

The Board of Trustees presents this annual report of the East London Mosque Trust to comply with the requirements of the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice (SORP 2005) for charities.

### LEGAL AND ADMINISTRATIVE INFORMATION

**Working Names** East London Mosque, London Muslim Centre

**Company Number** 0468317

**Charity Number** 1122613

#### Trustees / Directors

Mr Muhammad Habibur Rahman	(Chairman)
Mr Muhammad Siddique	(Vice Chairman)
Mr Ayub Khan	(Honorary Secretary)
Mr Mohammed Abdul Malik	(Treasurer)
Dr Muhammad Abdul Bari	
Mr Sirajul Islam	
Mr Ismail Jama Salah	
Mr Hasan Siraj Salekin	
Mr Mohammed Abdur Rahim Kamaly	
Ms Rahela Choudhury	
Mr Sirajul Islam (Hira)	
Mr Shafiur Rahman	
Ms Sayeda Anzumara Begum	
Mr Mazhar Baqaullah Khan	

**Company Secretary** Mr Ayub Khan

**Executive Director** Mr Dilowar Hussain Khan

**Registered and  
Principal Office** 82–92 Whitechapel Road, London, E1 1JQ

**Statutory Auditors** Abacus Partners (Ldn) LLP,  
Unit A, Abbots Wharf, 93 Stainsby Road, London, E14 6JL

**Main Bankers** HSBC, 75 Whitechapel Road, London, E1 1DU.  
Islamic Bank of Britain, 97-99 Whitechapel Road, London, E1 1DT.

**Solicitors** Saunders Roberts, 1 Crown Court Yard, Bridge Street, Evesham, WR11 4RY

East London Mosque Trust – also known as the London Muslim Centre

## **Structure, Governance and Management Governing Document**

The Trust is constituted as a company limited by guarantee, incorporated on 11 May 1949, and is registered as a charity with the Charity Commission. The charitable company is governed by its Articles of Association, last amended on 1 May 2015.

### **Structure and Management**

The members of the Trust elect ten trustees every two years at the Annual General Meeting (AGM), to serve for a term of two years. The elected trustees may appoint up to five additional trustees. The trustees are also the company directors for the purposes of company law and are also collectively known as the Board of Trustees under its Articles of Association.

The induction process for new trustees remains informal as they are all members and/or volunteers of the Trust and already familiar with the work and activities. However, during the year there were seminars/ training sessions to ensure members of the new Board of Trustees understand their legal duties and obligations as company directors and charity trustees.

The Board of Trustees is responsible for the strategic direction and policies of the Trust. A sub-committee known as the Office Bearers is delegated the task of general management and supervision of the Executive Director, who is employed by the Board of Trustees to manage the day-to-day operations and staff of the Trust. From the next term this committee will be superseded by a new Executive Committee.

The Trust's schools are governed by a delegated sub-committee (Board of Governors), which consists of trustees, parents, teachers and community representatives.

## **OBJECTIVES AND ACTIVITIES**

The Trust's primary objects, as set out in the Articles of Association, are:

- A. Advance the Islamic faith for the benefit of the public by maintaining and managing a community centre and mosque in London;
- B. Advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the general public, and in particular the Muslim community;

Our main objectives for the reporting period was to continue to provide a clean, comfortable and open to all prayer facilities, delivering authentic Islamic education for Muslims and non-Muslims, provide social welfare services to improve the conditions of life of the users, promote community cohesion through dialogue and social interactions and improve the image of the Trust in the wider society by challenging any negative media coverage and by promoting the activities of the Trust.

As one of the largest mosques and community centres in the UK, we want to ensure our facilities are available for all prayers throughout the year. They are accessible for men, women and children, including those with disabilities. We aim to provide a comfortable, clean and welcoming environment not only for the performance of prayers, but also to learn about the religion of Islam.

## **East London Mosque Trust – also known as the London Muslim Centre**

Education is a vital part of our work, so we host a wide range of educational activities for children and adults, including full-time schools, supplementary education, and evening and weekend classes, with careful attention to safeguarding.

Our location and expanded facilities make us ideally placed to invite non-Muslims to see what it's like in a mosque, and learn about Islam and Muslims. Our Visitor Centre gives a perfect view of the congregational prayers, whilst staff and volunteers help to deliver a friendly, informed experience.

We are fortunate that our large congregation is very generous in charity giving, so we regularly allow other UK charities to raise funds for their good causes. In Ramadan this increases significantly, and we have many applications for the limited fundraising slots.

The Mosque and centre is hub for a wide range of services of benefit to local communities, both Muslim and non-Muslim. Some of these we deliver in partnership with other agencies, where we aim to complement rather than duplicate what is available elsewhere. Forging relationships with others for the common good has become a hallmark of our work, and an example that many other mosques now follow. This is especially true of our varied interfaith work, and our ground-breaking work with Citizens UK.

## **REVIEW OF SIGNIFICANT ACTIVITIES**

### **Religious projects and services**

#### Prayer Facilities

The Mosque is open every day of the year for all 5 daily prayers, plus the special prayers for Eid and in Ramadan. The average weekly footfall for prayers is 32,000 people, rising to over 70,000 in Ramadan. The midday prayer on Fridays attracts over 5,000 worshippers from across London. The Friday sermon is delivered 3 languages, and with BSL interpretation for deaf worshippers. Many elderly people spend a good part of their daily life in the Mosque reading, performing optional prayers and spending time with friends which reduces loneliness and improves their social life.

#### Funerals

Prayers and viewings for funerals are held almost on a daily basis, totalling 619 for the year, arranged by the independent funeral service based in the premises. The families of the deceased receive consolation from our Imams which helps them to cope with the departure of their loved ones from this world. The Mosque also has facilities to accommodate Non-Muslim family members who wish to partake in the paying of respects without disturbing the worshippers. This is achieved by utilising the visitors' gallery on the first floor of the Maryam Centre. Families with a diverse background are now choosing the ELM who recognises that there are better facilities for viewing the deceased as well.

#### Visits to the mosque

The mosque provides information on Islam and regularly conducts tours for those interested to know about Islam and Muslims. These include hosting schools with particular focus on curricular learning, higher education institutions and other tour operators. Additionally the mosque hosts four open days per year for the general public and passers-by. This helps to preserve and promote the Islamic heritage and provide an excellent opportunity to dispel misconceptions as well as creating lasting relationships with the wider society.

**East London Mosque Trust – also known as the London Muslim Centre**

### Religious Teaching

Religious lectures are delivered from the main hall of the Mosque every day of the week by our own Imams. Many households listen in to the lectures from home through dedicated digital radios; this service has now been extended to the internet and smart phones. More than 20 approved user groups offer religious teaching in the complex of the Trust.

The Imams give free training for worshippers intending to perform Hajj and Umrah (pilgrimage). Around 1000 people attended this training. This helps to ensure that a much more balanced and authoritative knowledge is disseminated to the community, helping to recognise and combat extremism and aid in the spiritual and academic growth of the worshippers in a safe environment.

### Ramadan & Eid

Ramadan is the busiest month, with an average footfall of over 10,000 worshippers every day. More than 500 people were provided with free meals for breaking the fast every evening. Late every evening thousands of worshippers attend the special Ramadan prayers; Muslim Aid provided 100,000 bottles of free water for them. Ramadan is a very demanding time for staff and volunteers.

Additionally there are provision for the general public to attend a lecture everyday delivered from the pulpit covering a diverse range of topics from the most common on Zakat, Wills, jurisprudence on fasting & parenting to dealing with neighbours, roles of Mosques, women and the youth.

The Mosque holds several congregational prayers on each of the two Eid mornings to cater for over 20,000 worshippers who attend from across London and beyond. The Eid Sermon is particularly enjoyed by our growing Deaf attendees who benefit now from the sermon. The mosque also becomes a meeting point for families and friends to meet and greet each other enhancing better community relations.

### **Education and Training**

#### Improving School Attendance & Attainment in Partnership (ISAAP)

This project continues to support pupils with their attendance and attainment, working with local schools and families. In this period the project worked with 183 families, improving attendance and attainment of 95% of pupil referrals. However, the grant funding for this project will come to an end on 31<sup>st</sup> August 2015. An application for continued funding has been submitted to the London Borough of Tower Hamlets. The existing Service Level Agreements with schools will continue to run until the end of the contract. This project demonstrated its worth by helping schools and families build on systems to which they became self-sufficient. Furthermore recent changes to how schools operate meant that the service also became in-house to schools.

#### Al Mizan School & London East Academy

The schools cater for up to 250 pupils aged of 7 to 16. Both the schools performed well in terms of academic results and the graduates of this school have moved on to higher education and after completing their education many of them are contributing for the betterment of the society. An alumni has been established to keep in touch with former students. The schools are an important pillar in the community and are the leading service to promote and inspire learning amongst the youth.

However, in October 2014 the schools were given an unannounced inspection by Ofsted, along with other Muslim schools in Tower Hamlets, and were surprisingly judged inadequate. The new head teacher and governing body have worked hard throughout the year to address the issues raised by Ofsted, submitting action plans within the deadline. Ofsted are expected to return in the next academic year to check on progress.

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#### Supplementary education

The ELM Evening Madrasah has a student roll of 225. There are 14 members of staff, all of whom have had relevant child protection training, DBS checks, and staff workshops to improve teaching standards. The Madrasah has been following a new structured syllabus since 2014. The Madrasah is certified by the National Resource Centre for Supplementary Education on the following matters: code of behaviour, safeguarding policy statement, child protection procedure, health and safety (including risk assessment), registration form for each child, financial rules, accounts, appropriate insurance, etc. This particularly appeals to the parents of children who attend public schools full-time and find that there is a lacking in their Islamic Education and basic reading abilities of the Qur'an. This programme ensures that basic Islamic education is valued as part of their existing learning priorities.

Other supplementary educational projects based in Trust's complex and supported by the Trust include: Saturday Islamic School, Al Shafi Institute, Al Qalam, Jibreel Institute and Rainbow House. Unfortunately, the Food 4 Thought homework support project had to close due to lack of funding. Initiatives will be taken to revive this service in the next year.

#### **Social Welfare**

The Trust continues to provide and support social welfare services directly and through supported projects.

#### Religious Advice

The Imams have been very busy providing advice and support on religious issues. Hundreds of enquiries per week are received by the Mosque's reception, ranging from religious advice, education, marriage, family issues, general help and support, etc. This service helps individuals in need find solace and be able to lead lives comfortably whilst knowing that they are fulfilling their obligations as Muslims.

Due to the demand from the community, the Trust supported the establishment of Al Ihsan Marriage and Family Advice Service, which provides a marriage introduction service. The Trust provides subsidised office space to this service to help meet one of the Mosques core service deliveries to the community and in addition organises public lectures to help address the issue of Marriage in the Muslim community.

#### Legal advice

Pro-Bono in the LMC is a voluntary organisation, supported by Trust, providing free legal advice, and open to all regardless of faith or background. In this period they gave legal advice in 240 cases. This service attracts people from all backgrounds. People who are vulnerable and are unable to access the legal system through lack of monetary assistance feel welcomed here at the Pro-bono in the LMC. This enables the visitor to bring sensitive issues and find authoritative and informative guidance by a fully qualified barrister. The service also occasionally organises public lectures delivered by high profile speakers on law and public life all of which is well documented and published.

#### Supporting health

The Faith in Health project, running now for over 9 years, provides information to hundreds of people through 'Health Connex' events, road shows and seminars, working with a wide range of agencies to disseminate health information to the public. This year it has focussed on mental health, smoke cessation and obesity. However, continued funding for this project is not certain due to the priorities in the public health sector.

## **East London Mosque Trust – also known as the London Muslim Centre**

This project was positioned uniquely in the community working from one of the busiest hubs in the borough. A service greatly admired and appreciated by the community from the basics of choosing the best foods for breaking fast to recognises early signs of mental health.

### Environmental issues

The Trust has worked with MADE in Europe to promote environmental issues and fair trade; they have been allocated new space for their project in the Maryam Centre. The Mosque participated in the Green Mosque project and received recognition for its efforts to reduce its carbon footprint.

### Services for women

The Trust continued to develop projects and services in the Maryam Centre, through Maryam Projects and Services. Currently there are more than 20 female user groups using the facilities provided at the Maryam Centre on a daily or weekly basis. Our project manager is supporting Rainbow House to establish early year's provision on the 3rd floor of the Maryam Centre.

### Volunteer group

Jamiatul-ul-Muslimin, the volunteer support network for the Trust, continues to provide stewarding for Friday prayers, Ramadan and Eid. For decades since its establishment Jamiatul-ul-Muslimin has been an independent entity, but in 2015 it was incorporated into the Trust's structure to enable direct accountability.

### Supporting charity fundraising

Many UK registered charities are allowed to make appeals to Mosque's congregation for charitable causes. Together they rose over £224,000 from the very generous Mosque congregation in the reporting year. Having allowed numerous charities to raise funds and awareness, it enables the mosque to enter into a much more cohesive working relationship with other charities who are supporting the poor and the needy. The Trust provides a small amount of financial assistance to people in dire need from its Zakah fund.

## **Community Cohesion**

### Working with others

The Trust works with other faith and non-faith organisations to promote community cohesion. In this period some of the organisations the Trust worked with include:

- The East London Citizens Organisation
- Tower Hamlets Interfaith Forum
- Faiths Forum for London
- National Imams and Rabbis Council
- The Joseph's Interfaith Foundation
- Tower Hamlets Tension Monitoring Team
- Faith Regen UK
- The Passage – addressing Homelessness
- NHS – Muslims Give Blood Campaign



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#### Islam Awareness

The Islam Awareness Project organised 4 open days at the Mosque where information on Islam and Muslims were displayed. Tours and diversity programmes were held for organisations such as the Salvation Army, the Police and the local Council.

The Trust host regular visits for educational and social institutions which are becoming increasingly popular with schools. With the advent of the newly developed Awareness course this year, we successfully delivered 3 cultural awareness courses for staff and management of the Blind Dog Association, and hosted a day event for the Common Purpose. This is an area where we need to focus more on in the future to address growing Islam phobia and to help dispel misunderstandings in society. The next stage would be to get the courses accredited to professional standards helping more individuals within the public sector to pursue their continuous development and being recognised for their accomplishment.

#### Improving the Image of the Trust

The Trust has made significant strides in improving its PR image this year. The Mosque took part in a campaign led by the Muslim Council of Britain (MCB) called 'Visit My Mosque' in Feb 2015, where journalists and broadcasters were invited along with many non-Muslim guests to visit the East London Mosque (ELM). This was part of a national campaign launched by the MCB exclusively from the ELM.

An award winning filmmaker was given access to film at the Mosque for 6 months from Feb 2015. The documentary film will feature in late 2015. The Mosque was recently shortlisted for the Muslim News Community Development award in 2015, which is recognition to its various achievements in the community.

#### **Premises**

##### Repairs and maintenance

90% of the snagging works have been completed in the Maryam Centre, including new external signage installed just before Ramadan 2015. In this period our Maintenance Team carried out 834 repairs.

##### Hall and room hire

The halls and rooms of the London Muslim Centre and Maryam Centre are hired by charity organisations and community groups at a discount to promote educational, social and religious activities. During weekends and holiday periods our halls are hired for wedding functions. In this reporting period there were 725 external bookings.

##### Use of volunteers

The Mosque could not operate without the support and dedication of many volunteers, male and female, young and old. Trustees provide direction, whilst other volunteers such as Jamiat-ul-Muslimin give essential support for key religious events such as the Friday prayer, Ramadan activities, and the two Eids. Those volunteers who work closely with children are DBS checked, and work within our safeguarding framework.

##### Public Benefit

The Trust regularly initiates direct consultation with stakeholders to ensure that services are responding to the needs of the community. Core religious services are offered free of charge to everybody accessing the Trust's facilities. Most of the projects and services are also free, but are targeted to specific groups of people that will be in need of such services, e.g. counselling, employment support, skills development, health promotions, etc. The Trust also provides community meeting space at reduced rates.

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The Trust's full time and supplementary schools charge fees to cover the running costs of the service. However, the Trust does not implement full costs recovery from these services, therefore, the fees are kept well below other private educational institutions. The supported projects are required to make minimum contribution to the Trust towards the running costs of the facilities, hence, they are able to provide the service at a reduced costs to the public.

### **Statement of Board of Trustees Responsibilities**

Company and charity law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the charitable company will continue in operation.

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we declare that:

- there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Auditors**

Abacus Partners (Ldn) LLP acted as the charitable company's auditors. Pursuant to section 487 of the companies' act 2006, the auditor will be deemed to be reappointed. Abacus Partners (Ldn) LLP will therefore continue in office.

This report was approved by the Board of Trustees on 19 September 2015 and signed on its behalf by



**Mr Ayub Khan**

Honorary Secretary (Company Director)

## STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The trustees, who are also directors of the charitable company, present this strategic report to comply with the requirements of the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice (SORP) for charities.

The principal activities of the Trust are the regular prayers and religious services of a mosque, operating two full-time schools, and the provision of comprehensive services of a community centre. However, the Trust sets specific objectives for priorities set at the beginning of the reporting period. The priorities for this reporting period are:

- 1. Implement the short term recommendations (1–3 years) of the Organisational Review as agreed by the Trustees, with particular emphasis on organisational restructuring and improving security.*
- 2. Increase income by 10% through fundraising campaigns and investment to meet essential operational costs of the Trust and discharge long-term debts (Qard Hasanah).*
- 3. Devise and implement systems for monitoring to ensure all services are operating within SLA parameters and contributing to the Trust mission. Commence the planning stages of setting up the girl's secondary school.*
- 4. Improve the efficiency of repairs and maintenance works and use of Trust's facilities, and ensure completion of all snagging to the Maryam Centre (Phase 2).*
- 5. Improve relationships with partners, users and other stakeholders to achieve the common good.*

The achievements against the specific priorities are summarised below including plans for the following year.

## ACHIEVEMENTS AND PERFORMANCE

### Governance and Administration

Around 80% of the review recommendations have been implemented. The trustees agreed a revised staffing structure and began to implement it. The Assistant Executive Director's post was deleted, and 4 new posts created, including HR Advisor. All posts were advertised but not all recruited to date due to lack of suitable applications.

Security was improved at the Trust's complex by increasing the number of security personnel hours in the night when the buildings are almost empty. Training was provided for the front line staff on how to deal with difficult people, particularly after the incident with Britain First's intrusion in the Mosque and harassing the reception staff.

Electronic locks have been installed in the most important locations, and enhanced security of the finance office by installing an alarm system. The CCTV system has been enhanced further, and is regularly monitored and maintained in good working order.

The Board of Trustees regularised and reconstituted the following sub-committees, with new terms of references, to support the operations and governance of the Trust:

- Executive Committee
- Governance, Compliance and Audit Committee
- Board of Governors (for the schools)

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The Articles of Association were amended to facilitate succession planning for the Board of Trustees, effective operation of sub-committees, and representation of volunteers in the membership.

Amongst the policies developed or revised in this period were:

- Risk Management Policy
- Volunteers Policy
- Conflict of Interests Policy
- Investment Policy
- Access Policy

The Trust decided to dissolve the ELM Educational Trust which had originally been set up to manage the educational projects.

A consultant was employed to conduct an audit of the Trust's governance, policies and procedures, staffing and volunteers, finance and fundraising, media, marketing and communication, projects and risk management. It concluded that overall the Trust meets regulatory requirements, but identified areas for improvement in risk management, strategic planning, financial controls, volunteer management and development and merging of some more policies. Implement of the recommendations has started but will be completed next year.

### Fundraising and Income Generation

In this period the Trust continued with its regular fundraising campaigns to reduce the debt which was accrued due to the construction of the Maryam Centre. Most of the fundraising took place in the month of Ramadan. In this period the following fundraising campaigns were implemented, Friday giving; Standing order campaign; Appeal on Channel 5 Television in Ramadan; 27th night of Ramadan Appeal and Run 4 Your Mosque Appeal. Overall the voluntary income generated in this reporting period has increased by 12% from last year.

The Trust made more loan repayments than budgeted. It was planned to pay back £300,000 of the Qard Hasanah (interest free loan) but the net repayments made to the lenders was £541,540. It has been forecasted that the general donations will reduce in the future as the Maryam Centre has been completed and most of the pledges made for donations have been paid. Hence it is estimated that repayment of the loan would take another 8–10 years.

The investment income e.g. from shops and office spaces increased by 8.5%. The multipurpose halls are primarily used by the full time schools and other educational projects. These halls are also hired by charity organisations and community groups and for wedding functions during evenings and weekends and holiday periods, generating £178,240 in this period. However, it is less than last year (£196,358) due to increased competition locally. The preferred caterers list has been relaxed to increase the hiring of the LMC halls.

The Trust set up an income generating project a few years ago, Design Print Interactive. This saved printing costs and generated some income for the Charity. However, this project requires lot of effort and business skills, so the return when all costs are accounted for was not considered satisfactory. The Board of Trustees decided to outsource this project to an independent party who would pay the Trust a regular rental income.

### Projects and Services

All of the supported projects and user groups based in the Trust's complex were issued with Service Level Agreements. The supported projects are required to fill in an annual monitoring form for the Trust to evaluate the effectiveness of their service. Those projects that are providing service to children and vulnerable adults were provided training by qualified trainers from the Tower Hamlets Social Services department.

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The Trust has the following projects and services it manage directly:

- London East Academy – boys secondary school
- Al Mizan School – boys primary (year 3 to year 6)
- Evening Madrassah – part-time supplementary religious school for boys and girls
- Improving School Attendance and Attainment in Partnership
- Library
- Help, Advice and Counselling
- Faith in Health
- Maryam Projects and Services

There are 11 supported projects in the Trust's complex including services for deaf Muslim adults and children. All of the supported projects and user groups have been issued with Service Level Agreements. There are 5 other organisations that are tenants with whom there is mutual co-operation and collaboration in religious, educational, social welfare and community cohesion activities, which have contributed to further the objects of the Trust.

A steering committee was set up to initiate the provision for the full time provision of girls' education in the Maryam Centre in line with our long term plan. Several consultation meetings were held with stakeholders on what should be the focus of the girls' provision and what level of fees would be affordable to the parents/guardian of the pupils. However, plans to open full time provision for girls in the Maryam Centre have been deferred while the issues with existing schools are addressed.

### Premises

In this period there has been improvement in the reporting system and efficiency of carrying out repairs and maintenance works. 834 minor repairs were reported and identified and 804 were implemented. 90% of the Maryam Centre outstanding works have been completed, including the installation of external signage. New external signage for the Maryam Centre has been well received in creating identity.

11 major repairs and refurbishments were completed including the refurbishment of the heavily used ablution areas to maintain the highest standards for worshippers. Internal and external risk assessments on health and safety were completed. Subsequently, fire warden training was organised for relevant staff and volunteers.

A spatial planner has been appointed and a draft plan for centralised office for staff and reception is in progress. Al-Mizan School re-located to new classrooms in the Maryam Centre and their old rooms on the first floor of the Mosque were refurbished to create commercial space for a new tenant, thus generating income. One of the classrooms was converted to a dedicated meeting room for the Board of Trustees.

### Improving Relationship

The Trust has continued to work with various organisations to further its objects and for promoting community cohesion and the common good, including:

- London Citizens and The East London Citizens Organisations (TELCO)
- Muslim Council of Britain
- Faiths Forum for London
- National Imams and Rabbis Council (a project of The Josephs Interfaith Foundation)
- Muslim Agency for Development and Enterprise in Europe (MADE in Europe)
- London Borough of Tower Hamlets
- Tower Hamlets Interfaith Forum
- Christian Muslim Forum

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- London Boroughs Faith Network
- Unite Against Fascism
- Al Isharah

The Trust hosted many visits throughout the year for groups, schools and other voluntary, faith, and statutory organisations. We provided 3 Muslim cultural awareness sessions to the Guide Dogs Association's staff and volunteers. We have also hosted a Challenge Day of the Common Purpose.

A number of information stalls were exhibited in the London Muslim Centre by other voluntary, charity and statutory organisations including a regular stall by the Bangladeshi Stop Smoking campaign.

### **Principal Uncertainties, Risks and Management**

The Trust identified the key risks associated with respect to compliance, reputation, financial management, governance and operations. Measures to mitigate the risks have been identified and the trustees are satisfied that the control measures, along with regular review, will ensure strong protection of the charity.

Various management and information mechanisms have been implemented to keep the trustees aware of the activities of the organisation. The trustees have resolved to keep the reserves policy and risk management policy under constant review. The Trust implements all the appropriate insurances. All staff, volunteers and trustees who may be in contact with children and vulnerable adults are DBS (Disclosure and Barring Service) checked. Policies procedures and compliance are kept under constant review, for which a new Governance, Compliance and Audit Committee (GCA) has been established.

One of the major risks identified by the trustees is the risk of reputational damage due to negative or mischievous reporting by some right wing media. The Trust has actively pursued and responded to false allegations made towards the Trust by individuals who are described at best as extreme anti-Muslim activists. The Mosque's management have written to them, expressing clear concerns with blog pieces that were wrong. Letters have also been released into the public domain. The Trust has also formed a media sub-committee and appointed a reputable law firm to advise the trustees on reputation management.

There is a further risk of the full time schools being further scrutinised by Department for Education (DfE) if the required standards are not met within the time scale. Following on from the inspection by Ofsted in last October 2014 improvement action plans have been drafted and submitted for both schools within the deadline to DfE. The Trust also employed an educational consultant who has evaluated the schools policies, systems and procedures and made recommendations for improvements. The Trust has re-organised the governing body who is actively recruiting competent teachers and staff to assist the school in meeting the required standards.

The Trust has a private loan of £5.22m both short term and medium term which was borrowed from well-wishers and supporters to complete the Maryam Centre. This needs to be repaid within the next 5- 10 years. However, there could be a high volume of demand from the lenders for loan repayment in the near future. This risk will be mitigated by selling some of the investment properties (estimated value £2.0m). Furthermore, as the Trust has an excellent track record of income generation and fixed assets the trustees have approached one of its bankers who are willing to give a long term Islamic bank loan if the need arises.

### **Principal Funding Sources**

The primary source of income is general donations through the Friday and other collections of £0.61m (£0.66 in 2014) and income from investment £0.55m (£0.46m in 2014). In addition to this, there were donations and fundraising activities income of £0.96m received for the new Maryam Centre development, which is higher than last year (£0.74m).

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With regards to restricted income, these are either the fees or donations received for individual projects like the London East Academy £0.58m (£0.53m in 2014), Al Mizan School £0.29m (£0.26m in 2014), or specific grants received from funders to deliver projects.

Overall, the Trust's income is higher this year at £3.6m compared to last year's income of £3.3m. The Statement of Financial Activities provides more details of other income sources and figures, and the names of grant-making bodies, as applicable.

### **Reserves Policy**

The Board of Trustees has adopted a policy to hold the equivalent of three months' operational expenditure in reserve (£0.43m). The actual free reserves in current assets at the end of the year were £1.62m, excluding all restricted funds. The Board of Trustees considers the reserve policy to be adequate as the giving tradition is strong in such a faith-based organisation.

The Maryam Centre fund is in deficit due to the capital payments required. To help manage the cash flow for the development funds of the London Muslim Centre and the Maryam Centre (Phase 2), the Trust has a 'private loan' fund (Qard Hasanah). This fund currently stands at £5.22m (£5.76m in 2014) at the financial year end. Repayments to the well-wishers providing this Qard Hasanah are currently much less than the new loans received. The Board of Trustees considers that net repayment of Qard Hasanah within the next 12 months will be 10% of the year ending balance - i.e. £0.52m.

### **Investment Policy**

As per the Trust's Investment Policy, four freehold residential properties were purchased this year at a cost of £1.33m. 3 of the properties have been rented out and are generating £5,150 per month in rental income; the other property is undergoing major refurbishment work.

All other cash reserves are held in deposit accounts, and any bank interest received allocated to the welfare fund, consistent with Islamic guidelines on the treatment of interest. Any 'profits' from the deposits at the Islamic Bank are included in Trust's main fund.

The Trust also considers LMC Business Wing to be a part of its investment strategy, in particular the businesses and charities based in the building and paying rent for the retail units and office spaces they occupy.

### **Plan for Future Periods**

#### Governance and Administration

- Translate the Organisational Review (2013–14) into a 10-year Strategic Plan along with a 3-year Business Plan.
- Complete the review of policies and procedures to ensure strong governance and compliance.

#### Fundraising and Income Generation

- Continue repaying the long-term interest free loans (Qard Hasanah) through a community fundraising strategy.

East London Mosque Trust – also known as the London Muslim Centre

#### Projects and Services

- Continue the development of projects and services, directly or indirectly through partners.
- Ensure the existing full-time schools address all Ofsted's concerns and strengthen their ability to deliver a high quality education and continue the initiative to add the full time education for girls in the Maryam Centre.

#### Premises

- Liaise with stakeholders and consult with the wider community to develop plans for the redevelopment of the old Synagogue.
- Monitor the beginning of the Phase 3 expansion, which is an extension of the main prayer hall and a new air conditioning system donated to the Trust.
- Engage with staff and volunteers in spatial planning for existing reception areas, to look at the viability of creating a larger central reception hub.
- Procure support and funding for a permanent archive room in the Maryam Centre basement.

#### Developing Relationship

- Enhance our ability to protect our reputation in the face of right wing extremist, challenge misrepresentation, and work to reassure partners.
- Continue to promote a proper and balanced understanding of Islam that promotes community cohesion.

This report was approved by the Board of Trustees on 19 September 2015 and signed on its behalf by



**Mr Muhammad Habibur Rahman**  
Chairman (Company Director)



## **AUDITOR'S REPORT TO THE MEMBERS OF EAST LONDON MOSQUE TRUST**

We have audited the financial statements of the East London Mosque Trust for the year ended 31 March 2015, which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related Notes. The financial reporting framework that has been applied in their preparation is historical cost convention and the accounting policies set out on page 22, applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Trustees and Auditors**

As explained more fully in the Statement of Board of Trustees Responsibilities on page 10, the Board of Trustees (who are the trustees for the purposes of charity law and company directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report and Financial Statements 2014/15 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and

**East London Mosque Trust – also known as the London Muslim Centre**

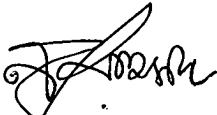
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report [(including the Strategic Report)] for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime [and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report].



**N A Chowdhury FCCA (Senior Statutory Auditor)**  
for and on behalf of Abacus Partners (Ldn) LLP, Statutory Auditors  
Unit A, Abbots Wharf, 93 Stainsby Road, London, E14 6JL

19 September 2015

**EAST LONDON MOSQUE TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	Unrestricted £	Restricted £	Total 2015 £	Total 2014 £
<b><u>Incoming Resources</u></b>					
Voluntary Income	3	1,430,073	23,125	1,453,198	1,296,670
Activities for Generating Funds					
Hall Hire & Support Service		178,240		178,240	196,358
Calendar and Radio Sales		30,238		30,238	26,017
Bookstall, Vending and Water Sales		26,641		26,641	30,918
DPI Income		69,650		69,650	5,047
Sponsorship & Other Activities Income		55,041		55,041	27,086
	4	359,810	-	359,810	285,426
Investment Income					
Rent and Service Charges		540,099		540,099	459,073
Profit on Deposits and Equity		10,790		10,790	16,648
	5	550,889	-	550,889	475,721
Incoming Resources from Charitable Activities					
ELM - LMC Projects			66,681	66,681	165,068
Educational Projects			943,109	943,109	880,075
Zakat & Fitr Collection			58,009	58,009	67,732
Welfare Fund Collection			22,923	22,923	13,243
	6	-	1,090,722	1,090,722	1,126,118
Others Incoming Resources					
User group Contributions		80,084		80,084	99,925
Sundry Income		64,923		64,923	47,832
	7	145,007	-	145,007	147,757
<b>Total Incoming Resources</b>		<b>2,485,779</b>	<b>1,113,847</b>	<b>3,599,626</b>	<b>3,331,692</b>
<b><u>Resources Expended</u></b>					
Cost of Generating Voluntary Income	8	49,863		49,863	50,066
Fundraising Costs					
Fundraising Campaigns and Advertising		5,073		5,073	46,936
Book Stall, Vending and Water Sales		9,477		9,477	19,144
Events		16,828		16,828	18,685
DPI Expenses		74,676		74,676	9,540
	9	106,054	-	106,054	94,305
Investment Costs					
Investment Property Management	10	270,098		270,098	257,531
Charitable Activities Costs					
ELM - LMC Projects			100,613	100,613	154,856
Educational Projects			894,599	894,599	759,722
Zakat & Fitr Distribution			57,681	57,681	69,513
Welfare Fund Distribution			4,590	4,590	31,128
Charitable Expenses		736,395	6,034	742,429	687,882
	11	736,395	1,063,517	1,799,912	1,703,101
Administrative and Support Costs	12	549,496	17,091	566,587	514,074
<b>Total Resources Expended</b>		<b>1,711,906</b>	<b>1,080,608</b>	<b>2,792,514</b>	<b>2,619,077</b>
<b>Net Income/Deficit Before Fund Movements</b>		<b>773,873</b>	<b>33,239</b>	<b>807,112</b>	<b>712,615</b>
Gross Transfer Between Funds	21	4,282	(4,282)	-	-
<b>Net Movement before other recognised gains and losses</b>		<b>778,155</b>	<b>28,957</b>	<b>807,112</b>	<b>712,615</b>
Profit on Fixed Assets Disposal	19(a)	81,249		81,249	37,826
<b>Net Movement in Funds</b>		<b>859,404</b>	<b>28,957</b>	<b>888,361</b>	<b>750,441</b>
Total Funds Brought Forward from Previous Year		15,162,939	2,975,886	18,138,825	17,388,384
<b>Total Funds as at 31 March 2015</b>		<b>16,022,343</b>	<b>3,004,843</b>	<b>19,027,186</b>	<b>18,138,825</b>

The notes on pages 22 to 28 form part of these accounts.

# EAST LONDON MOSQUE TRUST

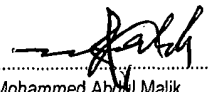
## BALANCE SHEET AS AT 31 MARCH 2015

	Note	£	Total 2015 £	£	Total 2014 £
<b>Fixed Assets:</b>					
Freehold properties at cost			2,851,729		2,851,729
London Muslim Centre and Maryam Centre			19,192,849		19,192,849
Long Leasehold			658,048		658,048
Fixture, fittings and equipment			404,606		401,059
	13		<u>23,107,232</u>		<u>23,103,685</u>
<b>Current Assets:</b>					
Stock		8,280		7,040	
Debtors & prepayments	14	638,847		468,712	
Property Investment		1,326,944		295,689	
Cash at bank & in hand		<u>1,777,173</u>		<u>2,865,366</u>	
		3,751,244		3,636,807	
<b>Current Liabilities:</b>					
Amount falling due within one year	15	<u>1,543,219</u>		<u>1,722,942</u>	
<b>Net Current Assets / (Liabilities)</b>			<u>2,208,025</u>		<u>1,913,865</u>
<b>Total Assets less Current Liabilities</b>			25,315,257		25,017,550
<b>Creditors:</b>					
Amount falling due after one year	16		6,288,071		6,878,725
<b>Total Net Assets</b>			<u><u>19,027,186</u></u>		<u><u>18,138,825</u></u>
<b>Funds of the Charity</b>					
Unrestricted Funds	21				
General Fund		2,244,490		2,030,653	
Designated Fund		<u>13,777,853</u>	16,022,343	<u>13,132,286</u>	15,162,939
Restricted Funds	20		3,004,843		2,975,886
<b>Total Funds as at 31 March 2015</b>			<u><u>19,027,186</u></u>		<u><u>18,138,825</u></u>

Approved by the Board of Trustees on 19 September 2015 and signed on its behalf by



Mr Muhammad Habibur Rahman  
Trustee & Chairman



Mr Mohammed Abdul Malik  
Trustee & Treasurer

The notes on pages 22 to 28 form part of these accounts.

# EAST LONDON MOSQUE TRUST

## CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	Notes	£	2015 £	£	2014 £
<b>Net Cash inflow from Operating Activities</b>					
Operating Profit		888,361		750,441	
Depreciation		71,401		75,731	
Investment Income		(10,790)		(16,648)	
Finance Costs		82,629		104,131	
Interest Income		-		-	
<b>Operating Profit Before Working Capital Charges</b>		<u>1,031,601</u>		<u>913,655</u>	
(Increase)/Decrease in Debtors		(170,135)		70,366	
(Increase)/Decrease in Stock		(1,240)		947	
(Decrease) in Creditors		<u>(128,357)</u>		<u>(699,502)</u>	
<b>Cash from Operations</b>		<u>731,869</u>		<u>285,466</u>	
Finance Cost Paid		<u>(82,629)</u>		<u>(104,131)</u>	
<b>Net Cash Generated from Operations</b>			649,240		181,335
<b>Cash Outflow from Investment Activities</b>					
Purchase of Tangible Fixed Assets		(1,106,203)		(1,479,177)	
Purchase of Investment Equity		-		490,287	
Interest / Profit on investment		<u>10,830</u>		<u>26,361</u>	
<b>Net Cash inflow/outflow from investment Activities</b>			(1,095,373)		(962,529)
<b>Cash Outflow from Financing Activities</b>					
(Decrease) of Long Term Loan		(541,541)		(612,471)	
Increase/(Decrease) of Qard Hasanah (Private Loan)		<u>(100,479)</u>	(642,020)	<u>1,145,551</u>	533,080
<b>Net Increase/(decrease) in Cash and Cash Equivalent</b>			<u>(1,088,153)</u>		<u>(248,114)</u>
Opening Cash and Cash Equivalent			2,864,807		3,112,921
Closing Cash and Cash Equivalent			<u>1,776,654</u>		<u>2,864,807</u>
<b>Reconciliation:</b>					
Cash at bank and in hand			1,777,173		2,865,366
Bank Overdraft			(519)		(559)
			<u>1,776,654</u>		<u>2,864,807</u>

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

**1 Accounting Policies**

**1.1 Basis of Preparation of Accounts:**

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, Statement Of Recommended Practice and UK Generally Accepted Accounting Practice for Charitable Companies.

**1.2 Grants / Donations Receivable:**

All donations received are treated as unrestricted funds unless stated separately.

Grants / Donations for immediate expenditure are accounted for when they become receivable.

Grants / Donations received for specific purposes are treated as restricted funds.

Grants / Donations restricted to future accounting period are deferred and recognized in those periods.

**1.3 Allocation of cost:**

Costs are allocated between restricted and unrestricted fund according to the terms of income. Where items expended are mixed, they are apportioned between the categories according to the income they relate to.

**1.4 Tangible fixed assets and depreciation:**

Freehold and long leasehold properties have not been depreciated as values are appreciating.

Fixed assets for the charity's use are capitalized at cost. They are stated in the accounts at cost less depreciation.

Depreciation is calculated to write off the cost less their estimated residual value, over their expected useful lives on the following basis:

Computer and Equipment:	20% Reducing balance.
Furniture and Fixture	20% Reducing balance.

**1.5 Fixed Asset Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value. Such investments are classified as current assets when regarded as available for sale.

**2. Incoming Resources**

The incoming resources and surplus are attributable to the principal activities of the charity.

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

<b>Incoming Resources</b>					
<b>3</b>	<b>Voluntary Income</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>2014</b>
		£	£	£	£
	Friday Collections	301,276		301,276	274,129
	Maryam Centre Donations	788,731		788,731	631,849
	ELM Donations	241,215		241,215	265,305
	LMC Donations	67,326		67,326	74,069
	Gift Aid	31,525		31,525	-
	Grants for Archive Project		23,125	23,125	51,318
		<u>1,430,073</u>	<u>23,125</u>	<u>1,453,198</u>	<u>1,296,670</u>
<b>4</b>	<b>Activities for Generating Funds</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>2014</b>
		£	£	£	£
	LMC Hall Hire & Support Service	172,334		172,334	194,314
	Maryam Centre Hall Hire & Support Service	5,906		5,906	2,044
	Fundraising Activities	27,074		27,074	3,419
	DPI Income	69,650		69,650	5,047
	Bookstall Sales	15,014		15,014	16,853
	Vending Machine Sales	2,380		2,380	2,136
	Water Sales	9,247		9,247	11,929
	Calendar Sales	8,903		8,903	7,517
	Radio Receiver Sales	21,335		21,335	18,500
	CRB Check Income	2,692		2,692	7,442
	Advertising and Sponsorship	25,275		25,275	16,225
		<u>359,810</u>	<u>-</u>	<u>359,810</u>	<u>285,426</u>
<b>5</b>	<b>Investment Income</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>2014</b>
		£	£	£	£
	LMC Rent and Services Charges	380,632		380,632	379,386
	ELM Rent and Management Fees	79,000		79,000	66,761
	Maryam Centre Rent and Management Fees	80,467		80,467	12,926
	Profit on Bank Deposits	10,790		10,790	16,648
		<u>550,889</u>	<u>-</u>	<u>550,889</u>	<u>475,721</u>
<b>6</b>	<b>Incoming Resources from Charitable Activities</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>2014</b>
		£	£	£	£
	<u>ELM - LMC Projects</u>				
	ISAP Appendix 1		46,567	46,567	61,668
	Faith in Health Appendix 1		25,000	25,000	52,700
	Community Cohesion Appendix 1		(5,186)	(5,186)	40,000
	Sundry Appendix 1		300	300	10,700
		-	66,681	66,681	165,068
	<u>Educational Projects</u>				
	Al Mizan School Appendix 2		278,009	278,009	261,729
	London East Academy Appendix 3		576,477	576,477	528,037
	ELM Evening Madrasah Appendix 4		88,623	88,623	90,309
		-	943,109	943,109	880,075
	Fitr Fund Collection		42,311	42,311	48,814
	Zakat Fund Collection		15,698	15,698	18,918
	Welfare Fund Collection Appendix 5		22,923	22,923	13,243
		-	1,090,722	1,090,722	1,126,118
<b>7</b>	<b>Other Incoming Resources</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2015</b>	<b>2014</b>
		£	£	£	£
	User Groups Contribution	80,084		80,084	99,925
	Wedding & Attestations	14,247		14,247	14,348
	Management Fees	10,255		10,255	8,855
	Sundry	40,421		40,421	24,629
		<u>145,007</u>	<u>-</u>	<u>145,007</u>	<u>147,757</u>
	<b>Total Income</b>	<b>2,485,779</b>	<b>1,113,847</b>	<b>3,599,626</b>	<b>3,331,692</b>

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

**Expenses Summary**

8	Voluntary Cost		Unrestricted	Restricted	2015	2014
			£	£	£	£
	Printing and Publicity		23,645		23,645	22,912
	Volunteers Expenses		3,679		3,679	5,477
	Public Liability Insurance		17,016		17,016	16,454
	Subscriptions		5,523		5,523	5,223
			<u>49,863</u>	<u>-</u>	<u>49,863</u>	<u>50,066</u>
9	Fundraising Cost		Unrestricted	Restricted	2015	2014
			£	£	£	£
	Fundraising Campaign and Advertising		5,073		5,073	46,936
	Fundraising Events		16,828		16,828	18,685
	Bookstall Supplies		9,477		9,477	12,699
	Water Supplies				-	6,445
	DPI Expenses		74,676		74,676	9,540
			<u>106,054</u>	<u>-</u>	<u>106,054</u>	<u>94,305</u>
10	Investment Management Costs		Unrestricted	Restricted	2015	2014
			£	£	£	£
	Salaries including Employer's NIC		128,353		128,353	97,724
	General Rates and Water		1,019		1,019	4,411
	Lighting and Heating		17,212		17,212	13,262
	Cleaning and Support Services		25,283		25,283	21,693
	Repair & Maintenance		15,602		15,602	16,310
	Finance Charges		82,629		82,629	104,131
			<u>270,098</u>	<u>-</u>	<u>270,098</u>	<u>257,531</u>
11	Charitable Activities		Unrestricted	Restricted	2015	2014
			£	£	£	£
	<u>ELM - LMC Projects</u>					
	ISAP	Appendix 1		65,023	65,023	77,354
	Faith in Health	Appendix 1		35,590	35,590	38,361
	Community Cohesion	Appendix 1		-	-	39,141
			-	100,613	100,613	154,856
	<u>Education Projects</u>					
	Al Mizan School	Appendix 2		254,403	254,403	218,261
	London East Academy	Appendix 3		560,435	560,435	462,445
	Elm Evening Madrasah	Appendix 4		79,761	79,761	79,016
			-	894,599	894,599	759,722
	Welfare Fund Distribution	Appendix 5		4,590	4,590	31,128
	Fitr Distribution			41,100	41,100	49,770
	Zakat Distribution			16,581	16,581	19,743
			-	57,681	57,681	69,513
	Salaries including Employer's NIC		132,268		132,268	141,943
	Support Workers		5,368		5,368	-
	General Rates and Water		9,166		9,166	39,699
	Lighting and Heating		154,912		154,912	119,358
	Repairs & Maintenance		140,416		140,416	146,788
	Cleaning and Support Services		227,551		227,551	195,233
	Calendar Printing		5,832		5,832	9,448
	Radio Receiver Supplies		17,073		17,073	12,735
	Vending Machine Supplies		2,356		2,356	1,384
	MC Opening Ceremony Expenses				-	6,500
	Archiving Expenses			6,034	6,034	-
	Bad and Doubtful debts		12,606		12,606	-
	Iftar & Itikaf Expenses		14,801		14,801	3,295
	CRB Expenses		2,885		2,885	3,696
	Telephone, Fax and Internet		5,273		5,273	6,357
	Computer and IT Expenses		3,117		3,117	2,498
	Postage and Stationery		2,771		2,771	2,243
			<u>736,395</u>	<u>6,034</u>	<u>742,429</u>	<u>691,177</u>
			<u>736,395</u>	<u>1,063,517</u>	<u>1,799,912</u>	<u>1,706,396</u>



**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

Cont.....

12 Administrative Costs:	Unrestricted	Restricted	2015	2014
a) Support Costs	£	£	£	£
Salaries including Employer's NIC	342,297	17,091	359,388	273,628
Premises Insurance	17,017		17,017	16,454
Telephone, Fax and Internet	5,272		5,272	6,357
Computer and IT Expenses	3,116		3,116	2,499
Postage and Stationery	2,772		2,772	2,243
Legal and Professional fees	13,812		13,812	42,631
Training & Courses	8,954		8,954	1,052
Payroll Services	2,650		2,650	1,600
Book Keeping and Accountancy	15,701		15,701	15,700
Bank and Credit Card Charges	23,255		23,255	21,172
Sundry expenses	7,641		7,641	11,806
Depreciation on FF & Equipment	62,945		62,945	75,731
	<u>505,432</u>	<u>17,091</u>	<u>522,523</u>	<u>470,873</u>
b) Governance Costs				
Salaries including Employer's NIC	25,671		25,671	19,545
Audit Fees (Excluding Educational Projects)	7,701		7,701	7,800
Management meeting/training expenses	2,292		2,292	7,053
Legal and Professional fees	8,400		8,400	5,508
	<u>44,064</u>	<u>-</u>	<u>44,064</u>	<u>39,906</u>
	<u>549,496</u>	<u>17,091</u>	<u>566,587</u>	<u>510,779</u>
<b>Total Expenses</b>	<u><b>1,711,906</b></u>	<u><b>1,080,608</b></u>	<u><b>2,792,514</b></u>	<u><b>2,619,077</b></u>

13 Tangible Fixed Assets:	Freehold Properties £	Long Lease Properties £	LMC Buildings £	Maryam Centre Buildings £	Fixtures, Fittings & Equipment £	Total £
Cost:						
At 1 April 2014	2,851,729	658,048	9,766,860	9,425,989	1,004,713	23,707,339
Addition					74,948	74,948
Disposal						-
	<u>2,851,729</u>	<u>658,048</u>	<u>9,766,860</u>	<u>9,425,989</u>	<u>1,079,661</u>	<u>23,782,287</u>
Depreciation:						
At 1 April 2014					603,654	603,654
Charge for the year	-	-	-	-	71,401	71,401
					<u>675,055</u>	<u>675,055</u>
Net Book Value						
As at 31 March 2015	<u>2,851,729</u>	<u>658,048</u>	<u>9,766,860</u>	<u>9,425,989</u>	<u>404,606</u>	<u>23,107,232</u>
As at 31 March 2014	<u>2,851,729</u>	<u>658,048</u>	<u>9,766,860</u>	<u>9,425,989</u>	<u>401,059</u>	<u>23,103,685</u>

14 Debtors & Prepayments:	2015 £	2014 £
Prepayments	81,124	68,863
Rent & others	277,187	265,842
Student Fees	280,536	134,007
	<u>638,847</u>	<u>468,712</u>

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

15 Creditors: Falling due within one year	2015 £	2014 £
Other Taxes and Social Security Cost	39,706	37,019
Trade Creditors	65,040	118,727
Rent & Hall Hire Deposits	80,014	61,912
Advance Tuition Fees	384,932	456,667
Accruals & Deferred Income	349,419	374,134
Al Rayan (IBB) Loan	100,480	97,692
Qard Hasanah - Private Loan	522,078	576,232
Business Card	519	559
Pension Contribution	1,031	-
	<u>1,543,219</u>	<u>1,722,942</u>

16 Creditors: Falling due after more than one year	2015 £	2014 £
Qard Hasanah - Private Loan	4,698,705	5,186,092
Bank Loans	1,589,366	1,692,633
	<u>6,288,071</u>	<u>6,878,725</u>

Private Loans: "Qard Hasanah" are loans from the charity's beneficiaries, which only have a moral obligation to repay on demand, if possible.  
There is no interest due or security given for these loans.

17 STAFF EMOLUMENTS:	£	2015 £	£	2014 £
Total Salaries		1,559,489		1,383,110
Employer's NIC		108,291		102,730
Pension Contribution		2,888		-
Total Employment cost		<u>1,670,668</u>		<u>1,485,840</u>
Direct Charitable		1,024,988		953,000
Admin	513,412.00		390,897	
General Charitable	132,268.00	645,680	141,943	532,840
		<u>1,670,668</u>		<u>1,485,840</u>
<b>Project / Department</b>				
East London Mosque	Admin	180,599.00	173,001	
	Core Charitable	75,974.00	69,215	
	Cleaning	70,981.00	50,332	292,548
London Muslim Centre	Admin	242,324.00	125,816	
	Core Charitable	56,294.00	72,728	
	DPI	31,792.00	-	
	Premises Maintenance	69,787.00	72,092	
	Cleaning	121,925.00	106,805	377,441
Maryam Centre (Phase 2)	Admin and Fundraising		90,489	92,080
ELM-LMC Project	ISAP	42,238.00	53,530	
	Faith in health	28,344.00	28,249	
	Community Cohesion	-	39,141	120,920
London East Academy			391,226	386,591
Al Mizan School			200,544	151,915
Evening Madrassah			68,151	64,345
		<u>1,670,668</u>		<u>1,485,840</u>
Avg number of employees: Admin		17		14
Avg number of employees: Direct		102		97
		<u>119</u>		<u>111</u>
Employees paid in excess of £60,000 during the current year and previous year		None		None

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

**18 ELM & LMC Income:**

	2015			2014		
	ELM	LMC	Total	ELM	LMC	Total
Friday Collection	301,276		301,276	274,129		274,129
Rent and Service Charges	79,000	380,632	459,632	79,687	379,386	459,073
Venue & Supports Service		172,334	172,334		194,314	194,314
Donations	241,215	67,326	308,541	265,305	74,069	339,374
Grants		23,125	23,125	9,360	41,958	51,318
Gift Aid	31,525		31,525			
	<u>653,016</u>	<u>643,417</u>	<u>1,296,433</u>	<u>628,481</u>	<u>689,727</u>	<u>1,318,208</u>

**19(a) Unlisted Investments**

	2015 £	2014 £
Profit on disposal of investment property	81,249	37,826
	<u>81,249</u>	<u>37,826</u>

**19(b) Listed Investments**

	2015 £	2014 £
Opening Market Value as at 01.04.2014	9,713	538,847
Matured during the year		500,000
Unrealized gain/ (loss) for the period	-	(29,134)
Closing Market Value as at 31.03.2015	<u>9,713</u>	<u>9,713</u>
Historical cost of investment	-	-

**20 Restricted Fund Movements**

	Opening Balance 01.04.2014 £	Incoming Resources £	Resources Expended £	Adjustment £	Closing Balance 31.03.2015 £
<b>Capital Grants</b>					
LDA Capital Grant	710,750	-	-		710,750
Sure Start Capital Grant	258,000	-	-	-	258,000
NRF Capital Grant	700,000	-	-	-	700,000
ERDF Capital Grant	750,000	-	-	-	750,000
	<u>2,418,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,418,750</u>
<b>Education Projects</b>					
London East Academy	205,429	576,477	560,435	-	221,471
Al Mizan	(27,899)	278,009	254,403	-	(4,293)
Elm Evening Madrasah	30,950	88,623	79,761		39,812
	<u>208,480</u>	<u>943,109</u>	<u>894,599</u>	<u>-</u>	<u>256,990</u>
<b>ELM-LMC Projects</b>					
Zakat Fitr Fund	271,654	66,681	100,613		237,722
Welfare Fund	6,484	58,009	57,681	(526)	6,286
	<u>70,518</u>	<u>22,923</u>	<u>4,590</u>	<u>(3,756)</u>	<u>85,095</u>
	<u>2,975,886</u>	<u>1,090,722</u>	<u>1,057,483</u>	<u>(4,282)</u>	<u>3,004,843</u>

**21 Movement in Funds**

	Unrestricted Fund £	Designated Fund £	Unrestricted Total £	Restricted Fund £	Total Fund £
As at 1 April 2014	2,030,653	13,132,286	15,162,939	2,975,886	18,138,825
Current year	773,873	-	773,873	33,239	807,112
Profit on Fixed Assets Disposal	81,249		81,249	-	81,249
Current year transfer	(641,285)	645,567	4,282	(4,282)	-
As at 31 March 2015	<u>2,244,490</u>	<u>13,777,853</u>	<u>16,022,343</u>	<u>3,004,843</u>	<u>19,027,186</u>

Total funds include £557,723 (2014: £399,849) debtors receivable. Approximately £1.38m of designated funds are tied up with ELM, LMC & Maryan Centre construction and fixed assets additions. Free reserve available was £1.62m as explained in reserves policy.

**22 Taxation**

The entity is a registered charity which does not undertake non-charitable activities and is therefore entitled to exemption for corporation tax.

**23 Post Balance Sheet Events**

There were no other significant balance sheet events to report.

**EAST LONDON MOSQUE TRUST**  
**Notes to the Financial Statements**  
**for the Year Ended 31 March 2015**

**24 Transactions with Trustees**

There were no transactions with trustees during the financial year.

**25 Auditor's Remuneration**

	2015 £	2014 £
Auditor's Remuneration - audit of the financial statements	9,141	7,701
Other Non Audit services	9,381	7,701
	<u>18,522</u>	<u>15,402</u>

**26 Contingent Liabilities**

The Charity had no contingent liabilities as at 31 March 2015 nor at 31 March 2014.

**27 Related Party Transactions**

There were no discloseable related party transactions during the year.

**28 Gifts in Kind and Volunteers**

During the year the Charity benefited from unpaid work performed by volunteers.

**29 Financial Commitments**

The Charity had no financial commitments as at 31.03.2015.

**EAST LONDON MOSQUE TRUST**  
for the Year Ended 31 March 2015

**ELM-LMC PROJECTS**  
(All Restricted)

		2015		2014
Incoming Resources	£	£	£	£
LBTH:- ISAP		26,667		26,667
Schools SLA:- ISAP		19,900		35,001
LBTH:-Community Cohesion		(5,186)		40,000
THPCT:-Faith in health		25,000		52,700
Sundry income		300		10,700
		<u>66,681</u>		<u>165,068</u>
<b>Resources Expended</b>				
Direct Charitable Expenses				
<b>ISAP</b>				
Wages and national insurance	42,238		53,530	
Support Service	850			
Telephone, fax & internet	373		548	
Printing, postage & stationery	210		271	
Gift and Prizes	536		-	
Rent & management fees	18,434		20,829	
Travelling	134		-	
Bank Charges	768		641	
Refreshment & sundries	130		85	
Book keeping & Accountancy	<u>1,350</u>	<u>65,023</u>	<u>1,450</u>	<u>77,354</u>
<b>Faith In Health</b>				
Wages and national insurance Including pension cost	28,344		28,249	
Telephone & internet	622		962	
Printing, postage & stationery	53		900	
Publicity, Publications and advert	3,880		3,508	
Events catering/workshop	1,442		3,400	
Refreshment & sundries	41		62	
Travelling	858		1,080	
Accountancy	<u>350</u>	<u>35,590</u>	<u>200</u>	<u>38,361</u>
<b>Community Cohesion / Women's Link</b>				
Wages and national insurance		-		39,141
<b>Total expenses in ELM-LMC projects</b>		<u>100,613</u>		<u>154,856</u>
<b>Surplus/Deficit for the year</b>		(33,932)		10,212
Fund as at 1 April 2014		<u>271,654</u>		<u>261,442</u>
Funds as at 31 March 2015		<u><u>237,722</u></u>		<u><u>271,654</u></u>

**EAST LONDON MOSQUE TRUST**  
for the Year Ended 31 March 2015

**AL-MIZAN SCHOOL**  
**Income & Expenses**

<b>Incoming Resources</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fees income	259,508	247,938
Examination & Admission fees	5,200	5,200
School trips, tahfiz fees, book sales etc	5,540	4,099
Other receipts in donations	7,761	4,492
	<u>278,009</u>	<u>261,729</u>
 <b>Resources Expended</b>		
Wages and National Insurance	200,544	183,373
Support service	8,091	1,682
Training, examination fees etc	10	-
DBS and Staff Recruitment	220	378
Service Charges	13,543	13,542
Sports centre & equipment hire	3,866	3,026
Small equipments and IT maintenance	-	-
Repairs, maintenance & cleaning	4,996	120
Books & Educational materials	10,036	4,560
Printing, postage & stationery	1,152	166
Publicity and Publication	381	-
Gift, Prize and Incentive	586	4,484
School trips and travelling	3,884	4,185
Event expenses & refreshment	2,123	662
Professional Fees	2,137	1,001
Audit, Accountancy, book-keeping and Payroll service	840	(80)
Bank charge	833	1,162
Subscription / Membership	200	-
Management and Sundry Expenses	177	-
Depreciation	784	-
Total expenses for the year	<u>254,403</u>	<u>218,261</u>
 Surplus/deficit for the year	23,606	43,468
Balance b/fwd	<u>(27,899)</u>	<u>(71,367)</u>
Net Deficit as at 31.03.2015	<u>(4,293)</u>	<u>(27,899)</u>

**EAST LONDON MOSQUE TRUST**  
for the Year Ended 31 March 2015

**LONDON EAST ACADEMY**  
**Income & Expenses**

<b>Incoming Resources</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fees income	520,210	462,865
Examination & Admission fees	14,349	17,920
School trips, tahrif fees, book sales etc	35,349	27,573
Grants and Sponsorship	1,400	14,311
Donation & Other Activities Income	5,169	5,368
	<u>576,477</u>	<u>528,037</u>
 <b>Resources Expended</b>		
Wages and National Insurance	391,226	355,133
Support service	11,894	13,177
Training, examination fees etc	14,747	12,296
CRB & Recruitment Expenses	880	194
Rent and Service Charges	50,528	29,252
Sports centre & equipment hire	8,962	7,897
Insurance	3,297	-
Small equipments and IT maintenance	3,293	2,459
Repairs, maintenance & cleaning	21,533	638
Books & educational materials	6,926	6,561
Printing, postage & stationery	6,688	4,270
Publicity and Publication	3,340	2,145
Telephone	1,905	2,289
Gift, Prize & Incentive	1,203	6,811
School trips and travelling	7,610	7,354
Event expenses & refreshment	6,332	1,596
Consultancy & Professional Fees	6,821	1,906
Audit, Accountancy, book-keeping and Payroll service	3,080	1,130
Bank charges	1,588	2,592
Management and Sundry Expenses	710	
Subscriptions	200	195
Graduation Ceremony Expenses	0	4,550
Depreciation	7,672	-
Total expenses for the year	<u>560,435</u>	<u>462,445</u>
 Surplus/deficit for the year	16,042	65,592
Balance b/fwd	205,429	139,837
Net Surplus as at 31.03.2015	<u>221,471</u>	<u>205,429</u>

**EAST LONDON MOSQUE TRUST**  
for the Year Ended 31 March 2015

**EVENING MADRASAH**  
Income & Expenses

<b>Incoming Resources</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fees income	88,623	90,309
	<hr/> 88,623	<hr/> 90,309
 <b>Resources Expended</b>		
Wages and National Insurance including pension cost	68,151	63,812
Rent	10,000	12,500
Printing, postage and stationery	184	254
Educational Supplies	137	492
Gift and prizes	76	613
CRB checks and travelling	264	176
Publicity & Publication	-	150
Accountancy & book-keeping	800	900
Refreshment	75	-
Bank Charges	-	76
Sundries	74	43
Total expenses for the year	<hr/> 79,761	<hr/> 79,016
 Surplus/deficit for the year	 8,862	 11,293
Balance b/fwd	<hr/> 30,950	<hr/> 19,657
Net Surplus as at 31.31.2015	<hr/> <hr/> 39,812	<hr/> <hr/> 30,950



**EAST LONDON MOSQUE TRUST**  
for the Year Ended 31 March 2015

**WELFARE FUND**  
**Receipts & Payments**

	2015 £	2014 £
Income / Donation received	22,918	13,239
Others	5	4
	<u>22,923</u>	<u>13,243</u>
<b>Less:</b>		
Sundry donations/expenses	4,590	31,127
Bank charges		1
Welfare a/c- expenses	<u>4,590</u>	<u>31,128</u>
Current year surplus/deficit	18,333	(17,885)
Balance b/fwd	70,518	94,967
Fund Movement (PYA)	<u>(3,756)</u>	<u>(6,564)</u>
Balance c/fwd	<u><u>85,095</u></u>	<u><u>70,518</u></u>