

EAST LONDON MOSQUE TRUST

(A Company Limited by Guarantee)

Company Number: 0468317 • Charity Registration Number: 1122613

TRUSTEES' ANNUAL REPORT, STRATEGIC REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

ABACUS PARTNERS (LDN) LLP

CHARTERED CERTIFIED ACCOUNTANTS & STATUTORY AUDITORS
UNIT A, ABBOTTS WHARF, 93 STAINSBY ROAD, LONDON E14 6JL

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CORPORATE DETAILS

Registered Name East London Mosque Trust

Working Names East London Mosque
London Muslim Centre

Company Number 0468317

Charity Number 1122613

Trustees (Directors) Ayub Khan – *Chairman*
Abdul-Hayee Murshad – *Honorary Secretary*
Syed Tohel Ahmed – *Treasurer* (from Oct 2021)
Abdullah Faliq (from Oct 2021)
Harun Rashid Khan (from Oct 2021)
Hussain Muhammad Shefaar
Mahera Ruby
Muhammad Habibur Rahman
Ruhana Ali
Salma Siddiqua (from Oct 2021)
Sayeda Anzumara Begum (from Oct 2021)
Aman Ali (until Oct 2021)
Ismail Patel (until Aug 2021)
Mohammed Abdul Malik (until Oct 2021)
Rahela Choudhury (until Oct 2021)
Shafiur Rahman (until Oct 2021)
Sirajul Islam (until Oct 2021)
Sirajul Islam (Hira) (until Oct 2021)

Lead Officer Dilowar Hussain Khan

Company Secretary Usamah Kenneth Ward (from Nov 2021)
Abdul-Hayee Murshad (until Nov 2021)

Registered 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

Al Rayan Bank, 97-99 Whitechapel Road, London, E1 1DT
Barclays Bank Plc, Broadgate 2, Leicester LE87 2BB

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

TRUSTEES' ANNUAL REPORT

OBJECTS AND PUBLIC BENEFIT

The objects of the East London Mosque Trust ('Trust'), as set out in its Articles of Association, are to:

- 1) Advance the Islamic faith for the benefit of the public by maintaining and managing a community centre and mosque in London;
- 2) 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;
- 3) Promote such other charitable purposes as may from time to time be determined.

In pursuance of these objects, the Trust hosts a range of services and activities for the benefit of the public.

ACTIVITIES

The Trust continued to provide a wide range of services for Muslims and non-Muslims, despite the earlier Covid-19 restrictions, often in partnership with others.

For the first time in two years, prayers were held normally in the month of Ramadan, with all Ramadan activities resuming. Normal Eid prayers also resumed. The Trust facilitated Ramadan collections for 38 UK-registered charities for causes in the UK and abroad, raising over £250k, more than any previous year.

The Trust's appeal to replace the Mosque's dome raised approximately £0.5m in donations and pledges. A firm was appointed to redesign the dome and main entrance. The local planning authority gave outline planning permission. Works to the ground floor extension were halted to seek planning approval for a second floor hall extension for women, which has now been obtained. Completion is expected by the middle of next year.

The Trust continued to encourage people to be vaccinated, especially as the take up rate in Tower Hamlets is low compared to other parts of UK. The ground floor hall of the London Muslim Centre was used as a vaccination centre twice a week, even in Ramadan. This helped to remove the vaccine hesitancy in the Muslim community due to anti-vaccination messages in social media.

Both of the Trust's schools underwent Ofsted inspections in the last academic year, and were rated overall as 'good' again, with 'outstanding' judgements on 'behaviour & attitude' for the LEA and in 'behaviour & attitude' and 'personal development' for Al Mizan School.

This year a great deal of effort was spent on supporting refugees who were placed in the vicinity of the Mosque. The Trust worked in partnership with other charities to support hundreds of refugees with some of their basic needs, food, clothing, toiletries, etc, and continued with the food bank that was initiated during the pandemic.

The Trust places strong emphasis on building relationships with others so we can work together for the common good, holding several post-pandemic events, including an interfaith iftar gathering, Islamophobia Awareness seminar, Mosque Open days, etc.

Financially, the Trust performed better than last year, due to the lifting of Covid restrictions. In this financial year the Trust raised £1.86m in donations and from other fundraising initiatives. The accounts show that income from rent, hall hire and investment increased significantly after the lifting of the restrictions.

Volunteering

The Trust benefits greatly from dedicated, committed volunteers, from those helping with collections, to members and trustees helping to drive the organisation forward. They provide stewarding for Friday prayers, Ramadan, Eid and other special occasions, and provide support for charity collections. Over 150 volunteers contribute time estimated to be worth around £120,000 per year.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The trust measures success in a number of ways, such as through satisfaction surveys, fundraising targets and educational outcomes.

Religious Projects and Services

Prayer Facilities

The mosque is normally open to the public every day from 10am, up to 9pm in the winter months, and later in the summer months. The annual footfall for prayers is about 1.7 million. The average weekly footfall for prayers is over 32,000 people, almost doubling in Ramadan. The congregation for the Friday 'Jumuah' prayer averages at well over 5,000, peaking at about 7,000 on the busiest Fridays. The Friday sermon and weekly talks is delivered in English and community languages, plus British Sign Language for deaf worshippers; it is streamed live on Facebook, Mixlr Alexa and local digital radios, and made available for download on the ELM website and YouTube channel.

Religious Teaching

Religious lectures are delivered in the main prayer hall of the Mosque every day of the week, with more than 20 circles of religious knowledge every week within the Mosque complex for men, women and children. The promotion of Islamic teachings helps prevent misunderstanding, and aids the spiritual and academic growth of worshippers in a safe environment. Most lectures are streamed live.

Ramadan & Eid

The Mosque was open for Ramadan in 2021, but with pandemic restrictions in place, limiting its capacity. Teams of stewards helped ensure safe access to the Trust's facilities. The Trust was also able to hold five congregational prayers for each of Eid al-Fitr and Eid al-Adha.

Funerals

London's oldest Muslim funeral service, Taslim Funerals, is based in the East London Mosque complex. They catered for 664 funerals in this period, which included special prayers in the main prayer halls, usually after the midday prayer.

Education

The Trust offers full- and part-time education.

Al-Mizan School & London East Academy

Al-Mizan School is a full-time junior school for girls and boys, and London East Academy (LEA) is a full-time secondary school for boys. Both schools operate under one headteacher, and a single governing body that is a committee of the Trust. As with other independent schools, recruiting good qualified teachers remains a challenge but nevertheless a priority. There has been a strong demand for schools places leading to record levels of pupil recruitment. The governing body appointed the interim headteacher as the permanent headteacher from June 2022.

Both Al-Mizan School and London East Academy underwent Ofsted inspections in the last academic year, and were rated overall as 'good' again, with 'outstanding' judgements on 'behaviour & attitude' for LEA and in 'behaviour & attitude' and 'personal development' for Al Mizan. This was an improvement from the previous inspections that took place four years ago, despite the more demanding framework, achieved through the hard work of the pupils and the contributions of all stakeholders: of parents, staff, and the governing body.

The GCSE results for 2022 reflected the post-pandemic return to exam-based grading, which nationally was lower than the previous two years: 93% of students achieved 5 GCSEs (including English and Maths) at grade 4 or higher (national was 73.2%); 67% of students achieved 5 GCSEs (including English and Maths) at grade 5

or higher; similarly, 67% achieved grade 5 or higher in the EBacc; 20% of students achieved 5 GCSEs (including English and Maths) at grade 7 (equivalent to former grade A) or higher.

In the first SATs since the pandemic, year 6 students had an overall pass rate of 67%, which is above the national average of 59%. In Spelling Punctuation And Grammar (SPAG) students scored above 90%.

Supplementary education

The Trust's part-time evening school, the ELM Evening Madrasah, operates weekdays 5–7pm, with a curriculum giving essential Islamic knowledge. Following a decline in pupil numbers during the pandemic, it has slowly been increasing; it now operates 7 classes with over 120 pupils.

The London Iqra Institute (a project of London Education Trust) operates from the fifth floor of the Maryam Centre, specialising in structured Islamic courses for children aged six and above, and some courses for adults. The Trust supports several other educational projects based in its complex: Rainbow House, Saturday Islamic School, Hornafric Development Association, and Al Qalam Madrasah.

Social Welfare

The Trust provides a range of welfare services directly and through supported projects.

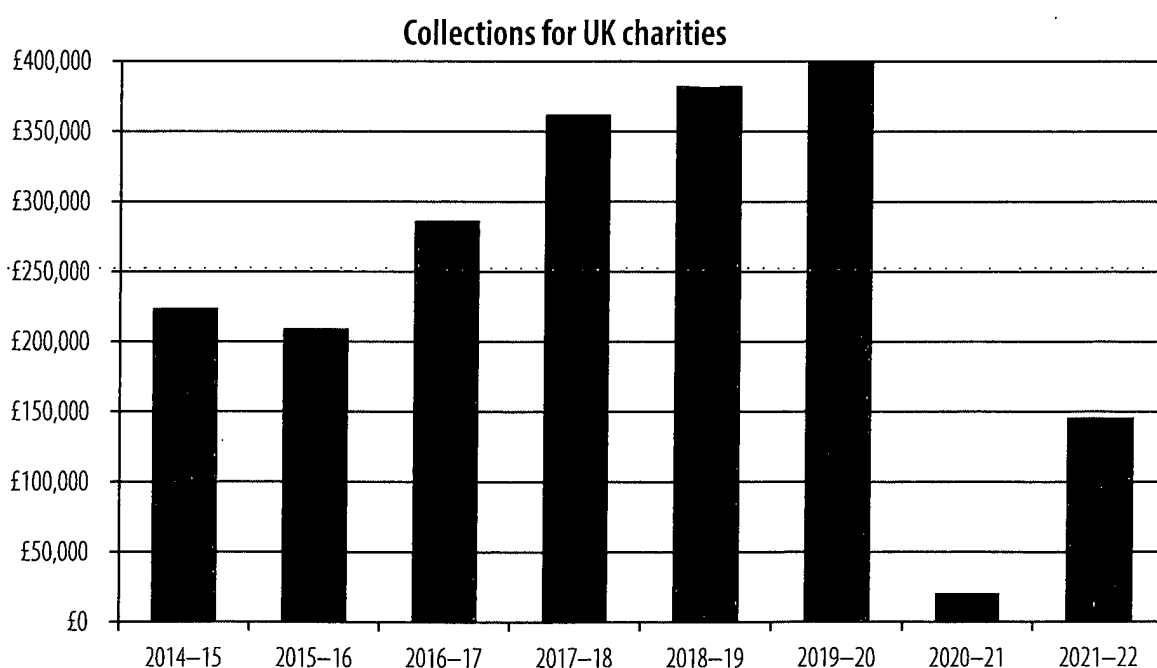
Religious Advice and Support

The Mosque's Imams give advice and guidance on religious matters, on issues such as marriage, inheritance, family and financial matters, with typically well over a hundred enquiries every day.

The Trust provides subsidised office space to Al Ihsan Marriage & Family Advice Service, which provides a marriage introduction and advice service, and organises public lectures on marriage in the Muslim community.

Supporting charitable causes

Last year the Covid pandemic had a profoundly detrimental impact on external charity collections. Over the course of this year, with the easing of restrictions, there has been a gradual return of both congregations and of charities making collections. The Trust was able to host 54 external collections from 1 April 2021 to 31 March 2022 for UK registered charities (12 last year, 109 the year before), raising £145,593 for worthy causes in the UK and overseas.



Women-only services

The Trust hosts over 20 female user groups every week, covering all ages and from different backgrounds, such as the London Saturday Circle, the Tafseer Class, the Friday Youth Circle, and the New Muslims Circle. Most are based in the Maryam Centre, which has excellent female prayer facilities, classes and seminars for women. The Trust continues to offer a professional counselling service for women. Our frontline staff are trained as 'Violence against women and girls' champions, and to support women facing domestic violence.

Support for new Muslims

New Muslims are supported through weekly programmes, one-to-one learning, and social gatherings.

Services for the elderly

The Trust organises regular social gatherings for the elder members of our community, though this was seriously affected by the pandemic. Our senior citizens group has had a slow start to bring back people who came before the pandemic. We organised a trip to Woking Mosque, which they chose to give them confidence to get out and about, after starting with storytelling sessions about their pandemic experiences, which were sad as many of their friends passed away to Covid. We now have fortnightly social gatherings and exercise sessions for our elders.

Legal advice

Pro Bono in the LMC (PBLMC) is a free legal advice service, run by volunteer practising barristers, solicitors and CILEx (Chartered Institute of Legal Executives), for those unable to afford or obtain legal aid. Where PBLMC is not able to assist, it signposts to other legal help providers. Areas of law include family, crime, tenancies, employment, and immigration. Whilst many of PBLMC's clientele are Muslims, non-Muslims also come to PBLMC for legal help. It had to close during the pandemic, but we are asking them to re-establish the service now that there has been a return to normal.

Community Cohesion

The Trust pro-actively engages with faith and non-faith organisations and works to promote community cohesion.

Open Days and Tea & Tour

The Trust facilitates regular open days and exhibitions in partnership with the Islam Awareness Project (IAP), with the aim to improve community relations and remove misunderstandings about Islam and Muslims. This year we organised two open days, receiving over 1000 non-Muslim visitors, many of whom gave positive feedback. Also, regular Tea & Tour sessions for non-Muslim visitors are arranged by the volunteers of IAP on the last weekend of every month.

Islam Awareness Courses (CPD Accredited)

The cultural diversity programme for non-Muslim professionals remains a unique and an important service that has reached over 250 professionals from diverse backgrounds since the first course delivered in 2013. This year we held four CPD accredited training courses, two full-day and two half-day. These included tailor-made courses for the London Fire Brigade and University of East London.

Baraka Khan Visitor Gallery

The Baraka Khan Visitor Gallery (BKVG), on the first floor of the Maryam Centre overlooking the prayer hall, is a legacy initiative of the Baraka Khan Foundation that seeks to raise funds, improve engagement and open doors. This year has seen significant upgrades to the facilities to enhance visitor experiences. The BKVG Boardroom has been designed to merge the Trust's service-orientated values with Baraka Khan's legacy of creating an alliance of goodness with people of all faiths and none.

The Trust occasionally holds special public presentations with renowned experts from the business, healthcare, and financial sectors. By bringing leading thinkers and the Muslim community together, these discussions

contribute to sharing ideas, and offer knowledge for community benefit. This year we had the honour of hosting Sir Michael Barber's third visit (see 'Special Events & Notable Visitors' below).

Tackling Racism, Islamophobia and Anti-Semitism

The Trust has been working with anti-racist organisations to challenge racism, Islamophobia and anti-Semitism, and organised and supported a number of events throughout the year.

As part of the Islamophobia Awareness Month, on 29 Nov 2021 the Trust organised an event on, 'The Bosnian state, and the Muslim population, under attack again', with Peter Osborne and Bosnian Ambassador Vanja Filipović. Around 200 participants attended the event.

The Trust hosted a press briefing with Stand Up To Racism to promote the National UN Anti-Racism Day Demonstration, which was held on 19 March 2022.

Special Events & Notable Visitors

On 24 September 2021, a community rally was hosted in the Maryam Centre, forging solidarity and seeking justice after the shocking and brutal murder of Sabina Nessa. The event was attended by faith leaders, women's groups and local politicians who delivered short speeches. Organisers for the event included the East London Mosque, The Muslim Women's Collective, Women 100 and The East London Citizens Organisation.

In order to address the challenges Muslim families are facing in UK, the Trust organised two days of talks on 25 and 26 of December 2021, in Bangla and English, delivered by its Imams and guest scholars, on the theme of 'Our Family, Our Future'. Speakers covered the following topics: The Institution of Family in Islam, Husband & Wife, the Foundation of Family Life, and Foundations of Parenting. The programmes were well attended and also broadcast on social media.

The Trust hosted the Qur'an Revision Day on 13 February 2022, the first of its kind in the UK. More than 100 students of the Qur'an gathered from all over UK, and recited the Qur'an to teachers over the course of the whole day. The event was hugely sold out; many people have sent in messages of support and have asked for information about the next event. The Trust is planning to repeat this event annually.

The Baraka Khan Foundation, in partnership with the Trust, welcomed back Sir Michael Barber for an event to discuss the current 'State of the World' on 23 February 2022. Sir Michael recounted the history of eighth-century Baghdad and the 'House of Wisdom', a focal point of knowledge, dialogue, diversity, and discussion. He cited the need for Houses of Wisdom in the modern age.

The Trust was delighted to welcome guests for its annual iftar on 9 April 2022, this year with the theme 'Supporting Refugees: A Divine Call'. Former ELM trustee, Shafiur Rahman, spoke about 'What Islam Says About Supporting Refugees.' Reverend Alan Green, Chair of Tower Hamlets Inter Faith Forum, shared the Christian perspective on supporting the refugees. Leon Silver, President of Nelson Street Synagogue, drew attention to 'Commonality amongst refugees.' Other guests who spoke at the event included: Rushanara Ali MP; John Biggs, Executive Mayor of Tower Hamlets; and Phil Warburton from London Citizens.

Award-winning journalist, broadcaster and author Peter Osborne was hosted by the Trust on 9 June 2022, for the launch of his latest book, 'The Fate of Abraham – Why the West is Wrong about Islam'. Over 250 guests attended the event.

On 15 July 2022, the Trust marked the 27th memorial of the Srebrenica Genocide in an event at the London Muslim Centre, with guests from the community, which also included a survivor from a Bosnian-Serb-run concentration camp. A video was played to honour 50 victims who were recently buried, having been identified after years of painstaking forensic process piecing together the remains of the deceased.

Public Relations

The Trust's continues to facilitate many journalists and news broadcasters. In the past year, the Trust has been featured in broadcast, print and online media, including: BBC News, ITV, iNews, MyLondon, The Huffington Post, East London Advertiser, The Tablet, Arab News, The New Arab, and Morocco World News.

The website plays an important role in explaining the work and services of the Trust, providing news and details of events, and raising funds through appeals. It is especially popular for checking prayer times, and also has audio and video, and Islamic articles. The number of page views for the year 1 Apr 2021 to 31 Mar 2022 was 18,310,929. Many talks are live streamed from the website, and the live broadcast of the Adhan (call to prayer) is widely used in London for commencing Iftar (breaking of the fast).

A new app was launched in October 2021 for the Trust, initially including prayer times and the facility to make donations.

Social Networks

Our Facebook account has over 344,000 followers. The page is regularly updated with information on fundraising activities, notices and media statements. Enquiries directed to the Trust via Facebook messages are also responded to, and advice given to users.

Our Twitter account now has over 14,100 followers.

The Trust's YouTube channel continues to grow, with a total of over 6.5 million views, and 49,500 subscribers (5.0 million and 38,300 respectively the previous year).

The Trust Instagram account has grown to 18,900 followers, and our TikTok channel has over 21,500 followers.

The Trust produced 8,000 annual calendars for 2022, featuring an image from the Mosque complex for each month, taken by photographer Rehan Jamil. The calendar is sold for £1 to cover printing costs. The Trust printed 20,000 copies of its popular Ramadan timetable; the digital version on the website was downloaded over 100,000 times.

Premises

Phase 3 & ELM dome

The structural and shell works to the ground floor men's hall extension have been completed. Works were halted to obtain the full planning approval to build the second floor hall extension for women, which has now been approved. The works to complete the extensions are planned to resume later this year.

Outline planning permission has been obtained, now works are being carried out to complete the design and specification of the dome, roof and minaret caps. Works are scheduled to commence in early 2023.

Security

The Trust is constantly at potential risk from criminal damage, burglary, theft, arson, and hate crimes. In some circumstances, the safety of staff, volunteers, users and visitors could be in jeopardy.

Any breach of security may have an impact on the running of the Trust. It follows that all reasonable measures should be taken to enhance security. To this end, risk assessments are conducted whenever necessary, and at least annually.

Where appropriate, expert advice has been sought to determine security risks and precautions required to deal with these potential threats. The Trust is in regular contact with the police, in particular the counter-terrorism branch.

Staff and volunteers are provided with sufficient resources, information and training to implement the security procedures, which are reviewed regularly. The Security Team provides 24/7 security cover for our buildings,

which acts as a deterrent, and is reassuring for staff, volunteers and users. Members of the Security Team are SIA qualified, and their core duties include opening and closing of the buildings, monitoring CCTV, signposting, implementing access/exits restrictions, recording and reporting incidents (including to the police), as well as carrying out internal and external patrols throughout the day and night.

Security is increased during high profile visits by dignitaries to the Mosque and Centre, also for Ramadan night-time prayers and Eid prayers.

Governance and Administration

The Director of Finance & Engagement remains as the lead member of staff. The Strategic Plan 2020–24 is guiding the Trust's priorities.

The review of staffing continued, with restructuring of the security, premises, maintenance, reception and events teams.

The Trust's policies and procedures are kept under regular review, with oversight from the Trust's Governance, Compliance & Audit Committee.

Fundraising, Income Generation and Investment Performance

The main sources of income for the Trust continue to be from donations from our congregation/well-wishers, rental/investment income and school fees. In this financial year, the Trust has resumed its general and specific fundraising campaigns. The Trust has been able to increase the income from all of the regular sources.

The overall income, £4.39m, remained similar to last year (£4.38m) when the Trust benefited from the furlough scheme. However, expenditure has increased by 5.6% due to inflation and an increase in staffing. Although the net surplus was less than last year, it was much more than was budgeted.

The Trust continues to meet its target of maintaining an annual operating surplus of at least £0.5M, so it can repay its loan and pay for capital projects such as the dome, phase 3 extension and refurbishment of the main entrance of the Mosque.

The Trust's investment in digital fundraising continued to be value for money despite tough competition with other charities in securing online donations.

The rental income of the Trust is recovering. This year it received 14% more rent than last year. The Trust achieved just under 5.5% rental income from its investment properties. Income from hall hire increased significantly, but has not reached the pre-pandemic level due to the effect of the partial restrictions. The halls and rooms of the London Muslim Centre and Maryam Centre are primarily used by the Trust's schools on term-time weekdays, and hired to charities and community groups at a discount to promote educational, social and religious activities. The halls are also hired for Muslim wedding celebrations.

The Trust investment of £379k via ELMT Waqf Ltd in two new build properties in Northampton is complete; they are currently in the process of being sold. The completion was delayed by due to the pandemic. It is estimated that there will be a gain of around 35% once the properties are sold.

The 'Legacy Giving' campaign continues. There have not many pledges in the last period; the amount pledged fluctuates as people change their mind about the beneficiaries of their will.

The Trust's schools continue to operate in surplus.

PLANS FOR THE FUTURE

Governance and Administration

1. Arrange for external review of policies and procedures to ensure a strong governance structure.
2. Continue with the annual training programme for trustees.
3. Continue with succession planning for trustees and members, building capacity and improving processes to increase diversity, ensuring a broad range of skills, and improving compliance.
4. Complete review of staffing and departmental structure, including lead member of staff.

Fundraising and Income Generation

5. Maintain net income of the Trust at a sustainable £0.5m per annum.
6. Continue to make better use of internet and social media streams through digital fundraising.

Projects and Services

7. Complete the review of the Trust's full-time education.
8. Carry out review of all supplementary education for children.
9. Establish a youth forum to build relationships between young people and the Mosque.
10. Find ways to offer social and recreational opportunities for young people in an Islamic environment.
11. Continue to enhance support for new Muslims.
12. Develop further support for charitable giving to good causes.
13. Continue to develop services for the elderly.
14. Develop a structured, holistic approach to promoting family values and tackling family break-up.
15. Continue to improve opportunities for researchers by developing the Trust's archive service.
16. Continue to provide support for refugees and asylum seekers being housed in our Borough.

Developing Relationships / Improving Image

17. Develop further ways to work with wider society.
18. Create a series of media assets that challenge misconceptions about Islam and explain Muslim concepts.
19. Provide courses and seminars that give a balanced and contextual understanding of Islam.
20. Enhance visitor use of the BKVG with displays and a comprehensive range of exhibition materials.

Assets & Premises

21. Continue with the Phase 3 extension.
22. Begin refurbishment of dome, minarets and main entrance.
23. Improve IT provision and security.

FINANCIAL REVIEW

Principal Funding Sources

The Trust raised £1.32m through donations (£1.2m in 2021). Income generated from charitable activities decreased to just under £1.5m (£1.7m in 2021). The income from investment increased to £0.9m (£0.8m in 2021) and income from fundraising activities also increased significantly to £0.55m (£79k in 2021). The Trust claimed £148k from the HMRC Job Retention Scheme.

Restricted income is either the fees or donations received for individual projects, e.g. the Trust's schools and ELM Waqf (sustainability fund).

Staff Remuneration

The Trust has a pay scale for remuneration of staff. The remuneration committee decided the Trust could not afford to give an increase equal to inflation (the Consumer Price Index), so determined the annual increase to the pay scale from 1 April 2022 would be 2.6% (the figure for public sector wage growth up to November 2021), with the lowest level maintained at 20p per hour more than the minimum wage.

Investment Policy

The Trust operates an investment policy to grow the Trust's assets, so that the returns can be used to further its aims and activities as well as meet its cost centres. The Board of Trustees reviews the overall financial position of the Trust through the management accounts and budgets, paying particular attention to short-term and long-term financial commitments.

The Trust invests ethically, even if the investment yields a lower rate of return. Ethical investments for the Trust are those that do not conflict with Islamic values, nor do they counter the Trust's aims and ethos.

The investment level of the Trust is determined by the Board of Trustees by making sure sufficient liquid funds are available to meet immediate liabilities. However, up to 60% reserves of the Trust can be utilised for investment with the proviso that at least two months of operational costs can be liquidated within a three-month period.

The Trust has invested approximately £6.6m in income-generating properties within the complex and, more recently, outside of the complex. The LMC Business Wing is a part of its investment strategy, in particular the businesses and charities based there paying rent for the retail units and office spaces they occupy. The annual rental income from all investment properties was £0.86m this year, yielding a return of 5.5% based on the current investment value of £16.05m. There was around 90% occupancy in the investment properties; discounts had to be given due to the lockdowns.

All other cash reserves are held in bank 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 Al-Rayan Bank are included in Trust's main fund.

Reserves Policy

The main objective of the reserves policy is to ensure that the Trust is able to meet its short-term operational costs in an event where income drops to an unsustainable low. It is currently operating to service at least two months of liabilities, which is £0.60m. The Board of Trustees considers the reserve policy to be adequate, as the giving tradition is strong in such a faith-based organisation, with regular income received from the investments.

Principal Uncertainties, Risks and Management

The Trust identifies and monitors risks in the areas of compliance, reputation, financial management, governance and operations, and puts in place measures to mitigate these risks, especially those deemed as major. These measures, backed by regular review, ensure strong protection of the charity.

Amongst the key measures the Trust has in place are:

- DBS checks whenever appropriate for staff, volunteers and trustees
- scrutiny of policies and procedures by the Governance, Compliance and Audit Committee
- regular monitoring by trustees of the reserves policy and the risk register
- all suitable insurance policies
- 24/7 security guards based in the Trust's premises

The Trust's booking process and policy for speakers helps to mitigate reputational risks. The Trust robustly challenges any misleading or malicious media reports. It has enhanced its due diligence procedures.

Security is kept continuously under review. The Trust employs 24/7 security guards, and maintains close contacts with the local police force and other agencies, such as the Tension Monitoring Group.

The Trust's schools uncovered possible fraud and theft by a former employee last year. The Trust appointed a consultant to review the schools' financial policy and procedures, and recommended improvements. The matter was reported to the police and the Charity Commission. The matter is still ongoing, but already the schools have improved their procedures according to the recommendations.

The Trust benefits from interest-free loans from supporters, known as Qard Hasanah. The balance of this loan dropped to £4.52m from £4.78m at the end of this reporting period, i.e. a reduction of £262k. These loans have helped the Trust to undertake past capital developments, and to establish investments to help sustain the Trust, known as Waqf. The Trust ensures it keeps sufficient cash flow to repay Qard Hasanah upon request, and can sell its investment properties should the need arise.

Independent Auditor

An independent audit was carried out by Abacus Partners (Ldn) LLP, Chartered Certified Accountants & Registered Auditors. The auditor is deemed to have been re-appointed in accordance with section 487 of the companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The East London Mosque Trust is a company limited by guarantee. Its Articles of Association were last updated in 2020. Ten trustees are elected by the Trust's membership from amongst themselves every two years. The elected trustees may appoint up to five additional trustees whose expertise may benefit the Trust. Trustees are the company directors for the purpose of company law. Trustees do not receive any remuneration.

A trustee induction procedure outlines steps for vetting trustees, key documents that are considered essential, and expectations for appropriate training. The Board of Trustees typically meets every six weeks; in this reporting period, they met 12 times. It has established three principal committees for effective governance:

- Executive Committee
- Governance, Compliance & Audit Committee
- Schools' Governing Body

The Trust considers the Executive Committee (currently consisting of the Trust's Chairman, Honorary Secretary, Treasurer, another trustee and four senior members of staff) to be the key management personnel. The delegation of decisions to committees is outlined in terms of references, and to staff in job descriptions. The Board of Trustees retains ultimate oversight of financial controls, the management of risks, significant developments, and in ensuring the Trust operates in accordance with its Articles of Association, charity law and other legal requirements, and best practice.

The Trust has a subsidiary, the ELMT Waqf, to make investments. The Trust cooperates with other charities and organisations where this will help deliver its objects to its beneficiaries, with due regard to any conflicts of interest.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of East London Mosque Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- 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 adequate accounting records that 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 Companies Act 2006. They are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

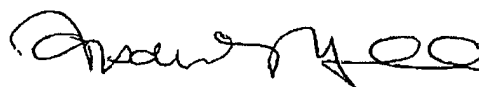
Each of the persons who is a director / trustee at the date of approval of this report confirms that:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees' Annual Report and the Strategic Report were approved by the Board of Trustees (in their capacity as company directors) on 17 Sep 2022 and signed on its behalf by:



Ayub Khan
Chairman



Abdul-Hayee Murshad
Honorary Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EAST LONDON MOSQUE TRUST FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The East London Mosque Trust for the year ended 31st March 2022, which comprise the statement of financial activities, the Statement of Financial Position, the Cash Flow Statement, and the related Notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read other information and, in doing so consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, including the Strategic Report, for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the Trustees Annual Report, including the Strategic Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Trustees Annual Report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 14, the trustees (who are also the directors of the charitable company 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

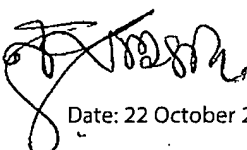
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 body, for our audit work, for this report, or for the opinion we have formed.

Mr Nur Ahmed Chowdhury (Senior Statutory Auditor)
For and on behalf of Abacus Partners (Ldn) LLP
Statutory Auditor
Unit A, Abbots Wharf
93 Stainsby Road
London E14 6JL



Date: 22 October 2022

EAST LONDON MOSQUE TRUST
(Company Limited by Guarantee)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITY
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<u>Incoming Resources</u>					
Donations and Legacies	3	1,069,057	247,230	1,316,287	1,175,783
Activities for Generating Funds	4	546,771	-	546,771	79,220
Investment Income	5	885,141	-	885,141	776,544
Income from Charitable Activities	6	116,220	1,339,842	1,456,062	1,692,993
Others Incoming Resources	7	189,741	-	189,741	652,249
Total Incoming Resources		2,806,930	1,587,072	4,394,002	4,376,789
<u>Resources Expended</u>					
Costs of Generating Donation Income	8	66,746	-	66,746	49,215
Fundraising Costs	9	210,664	-	210,664	142,580
Investment Management Costs	10	233,462	566	234,028	236,967
Charitable Activities Costs	11	892,930	1,375,121	2,268,051	2,192,977
Support costs	12	697,253	21,000	718,253	662,850
Governance costs	12	82,645	-	82,645	81,662
Total Resources Expended		2,183,700	1,396,687	3,580,387	3,366,251
Net Income/Deficit Before Fund Movements		623,229	190,385	813,614	1,010,538
Gross Transfer Between Funds	22	(35,977)	35,977		-
Net Movement before other recognised gains and losses		587,252	226,362	813,614	1,010,538
Gains / (losses) on revaluation of Fixed assets	14		-	-	
Net Movement in Funds		587,252	226,362	813,614	1,010,538
Reconciliation of funds:					
Total Funds Brought Forward		32,412,620	4,138,847	36,551,467	35,540,929
Total Funds as at 31 March 2022		32,999,872	4,365,209	37,365,081	36,551,467

All the activities of the company are from continuing operations.

The notes on pages 20 to 29 form part of these financial statements.

EAST LONDON MOSQUE TRUST
(Company Limited by Guarantee)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

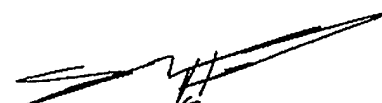
	Note	£	Total 2022 £	£	Total 2021 £
Fixed Assets:					
Freehold Land and Buildings	14		13,341,232		13,281,232
Leasehold Land and Buildings	14		10,456,034		10,456,034
Investment Properties	14		16,049,751		16,049,751
Fixtures, fittings and equipment	14		453,681		472,239
Investment in Subsidiaries			1		1
			<u>40,300,699</u>		<u>40,259,257</u>
Current Assets:					
Stock		3,027		3,449	
Debtors & prepayments	15	825,535		836,767	
Cash at bank & in hand		<u>2,736,054</u>		<u>2,080,097</u>	
		3,564,616		2,920,313	
Current Liabilities:					
Amount falling due within one year	16	<u>3,221,139</u>		<u>2,945,299</u>	
Net Current Assets / (Liabilities)			<u>343,477</u>		<u>(24,986)</u>
Total Assets less Current Liabilities			40,644,176		40,234,271
Creditors:					
Amount falling due after one year	17		3,279,095		3,682,804
Total Net Assets			<u><u>37,365,081</u></u>		<u><u>36,551,467</u></u>
Funds of the Charity					
Restricted Funds	24		4,365,209		4,138,847
Unrestricted Funds	25				
General Funds		1,453,265		1,311,164	
Designated Funds		<u>31,546,607</u>	<u>32,999,872</u>	<u>31,101,456</u>	<u>32,412,620</u>
Total Funds as at 31 March 2022			<u><u>37,365,081</u></u>		<u><u>36,551,467</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees on 17 September 2022.

Signed on behalf of the Board of Trustees



Mr Ayub Khan
Trustee & Chairman



Mr Syed Tohel Ahmed
Trustee & Treasurer

The notes on pages 20 to 29 form part of these financial statements.

EAST LONDON MOSQUE TRUST
(Company Limited by Guarantee)
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	£	2022 £	£	2021 £
Cash Outflow from Operating Activities					
Operating Surplus		813,614		1,010,538	
Depreciation		80,646		83,351	
Other Investment Income		(2,068)		(2,341)	
(Gain)/Loss on fixed asset disposal		-		-	
(Increase)/Decrease in Debtors		11,232		(119,127)	
(Increase)/Decrease in Stock		422		213	
Increase/(Decrease) in Creditors		275,840		(1,687)	
Cash from Operations		<u>1,179,686</u>		<u>970,951</u>	
Net Cash Generated from Operations			1,179,686		970,951
Cash Outflow from Investment Activities					
Purchase of Tangible Fixed Assets		(122,088)		(107,471)	
Investment in Subsidiary		-		-	
Fixed assets disposal		-		-	
Interest / Profit on investment		2,068		2,341	
Net Cash inflow/outflow from investment Activities			(120,020)		(105,130)
Cash Outflow from Financing Activities					
Increase/(Decrease) of Long Term Loan		(141,068)		(134,035)	
Increase/(Decrease) of Qard Hasanah (Private Loan)		(262,641)		(68,700)	
Net Increase/(decrease) in Cash and Cash Equivalents			655,957		663,086
Opening Cash and Cash Equivalents			2,080,097		1,417,011
Closing Cash and Cash Equivalents			<u>2,736,054</u>		<u>2,080,097</u>
Reconciliation:					
Cash at bank and in hand			2,736,054		2,080,097
			<u>2,736,054</u>		<u>2,080,097</u>

See Note 36 for analysis of changes in net debt

The notes on pages 20 to 29 form part of these financial statements.

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting Policies

1.1 Basis of preparation of accounts:

The charitable company is a public benefit entity as defined by FRS 102, and the financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities, preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)- Charities SORP FRS 102, and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in pound sterling which is the functional currency of the charity.

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.2 Going concern:

The financial statements have been prepared on a going concern basis as the Directors anticipate no material uncertainties exist going forward, and that the expected level of income will support all expenditure for 12 months from the date of authorising these financial statements. The Trust once again has a congregation following easing of lockdown restrictions, which led to some recovery in donations collected. The Trust has a net assets surplus in this financial year. It has sufficient cashflow to continue operations for 12 months from the signing date.

1.3 Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The current designated fund is tied up with fixed assets (See Note 24).

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The funds are set out in Note 23.

1.4 Income recognition:

All incoming resources are included in the Statement of Financial Activity (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- Cash donations are recognised on receipt.
- Tuitions Fee income is recognised when entitlement has occurred. Fee Invoices are usually raised at the beginning of the academic year and any income related to future accounting periods are deferred to those periods.
- Investment income is earned through holding property and cash deposits for investment purposes. Rental income is recognised as the charity's right to receive payment is established. Profit on funds held on deposit is included when receivable and the amount can be measured reliably.
- Hall and room hire income is recognised as at the date of the event.
- Grants for immediate expenditure are accounted for when they become receivable.

1.5 Expenditure and irrecoverable VAT:

All expenditure is accounted for on an accruals basis within the Statement of Financial Activity, and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Input VAT that cannot be claimed is included in the cost to which it relates.

1.6 Allocation of costs:

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

1.7 Support costs:

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charities programmes and activities. Where support costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

1.8 Tangible fixed assets and depreciation:

Freehold and long leasehold properties are not depreciated as they are maintained at a high standard, thus extending their useful life and residual value. Annual impairment reviews are conducted where assets are not depreciated.

Individual fixed assets costing £500 or more are capitalised at cost, and 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:

Computers and Equipment	15% Reducing balance.
Furniture, Fixtures and fittings	15% Reducing balance.

1.9 Investment properties:

Investment properties are held at fair value, which is measured annually with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

1.10 Investments :

Investments are recognised initially at fair value, which is normally stated at cost less provision for permanent diminution in value. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA. Other investments are measured at cost less impairment.

1.11 Stock:

Stock held by the entity consists of books and radios. Goods are stated at the lower of, cost or net realisable value. The cost includes all costs of purchase, any costs of conversion and other costs incurred in bringing the goods to its present location and condition.

1.12 Debtors and prepayments:

Debtors are receivable within one year and/or more than one year recognised at the transaction price. Prepayments are valued at the amount prepaid net of any discounts due.

1.13 Creditors and accruals:

Creditors payable within one year and/or more than one year are recognised at the transaction price. Accruals are valued at the net cost, less any discounts offered.

1.14 Loans and borrowings:

Loans and borrowings are initially recognised at the transaction price, including transaction costs.

Private Loans: "Qard Hasanah" is a interest free loans from the charity's beneficiaries, which only have a moral obligation to repay as per agreement. Qard Hasanah is recognised when received / paid and recorded under liabilities due within one year and/or more than one year.

1.15 Provisions:

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.16 Pensions:

Employees of the charity are entitled to join a defined contribution pension scheme. The pension contributions by the charity are charged to the financial statements, and equal or exceed the statutory minimum percentages applied to pensionable earnings.

1.17 Taxation:

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1, Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.18 Group accounting

The entity has a 100% stake in a dormant subsidiary LMC Limited and a 100% stake in ELMT Waqf Ltd. The latter's total reserves at 31 March 2022 were -£1,496. ELMT has a loan outstanding with ELMT Waqf Ltd., the details of which are discussed in Note 27.

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 for each member of the charity.

Incoming Resources

3 Voluntary Income

	Note	Unrestricted	Restricted	2022	2021
		£	£	£	£
General Donations		956,314		956,314	1,052,277
Archiving Project			5,558	5,558	47,589
MyELM		12,124		12,124	
DOMÉ appeal			241,672	241,672	
Gift Aid		100,619		100,619	75,917
		<u>1,069,057</u>	<u>247,230</u>	<u>1,316,287</u>	<u>1,175,783</u>

4 Activities for Generating Funds

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Hall and Room Hire	188,586		188,586	4,054
Fundraising Activities	32,185		32,185	44,073
Digital Fundraising & Website Advertising	256,226		256,226	24,248
Bookstall and similar sales	21,741		21,741	6,845
Charity package sponsorships	48,033		48,033	-
	<u>546,771</u>	<u>-</u>	<u>546,771</u>	<u>79,220</u>

5 Investment Income

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Rent and Services Charges	883,073		883,073	774,202
Profit on Bank Deposits and investments	2,068		2,068	2,341
	<u>885,141</u>	<u>-</u>	<u>885,141</u>	<u>776,544</u>

6 Income from Charitable Activities

	Unrestricted	Restricted	2022	2021
	£	£	£	£
<u>a) Educational Projects</u>				
Al Mizan School		454,752	454,752	452,195
London East Academy		574,336	574,336	749,077
ELM Evening Madrasah		68,330	68,330	58,798
	<u>-</u>	<u>1,097,418</u>	<u>1,097,418</u>	<u>1,260,070</u>

b) Contributions to ELMT for service use

	£	£	£	£
Al Mizan School	39,876		39,876	39,876
London East Academy	50,528		50,528	50,528
	<u>90,404</u>	<u>-</u>	<u>90,404</u>	<u>90,404</u>

c) Other charitable funds

	£	£	£	£
Fitr Fund		57,193	57,193	66,982
Zakat Fund		81,545	81,545	60,254
Welfare Fund		63,914	63,914	15,083
Counselling Projects		12,618	12,618	39,600
Winter Food Project		13,750	13,750	
Kickstarter scheme		7,565	7,565	
Burial Support		1,546	1,546	79,535
Covid 19 Community Support/EECF		4,293	4,293	34,596
Iftar and Itikaf	25,816		25,816	26,469
NHS Community Investment Scheme			-	20,000
	<u>25,816</u>	<u>242,424</u>	<u>268,240</u>	<u>342,518</u>
Total	<u>116,220</u>	<u>1,339,842</u>	<u>1,456,062</u>	<u>1,692,993</u>

The contributions by the schools for use of ELMT facilities are reflected in the schools' costs in Note 11.

7 Other Incoming Resources

	Unrestricted	Restricted	2022	2021
	£	£	£	£
HMRC Job Retention Scheme	147,783		147,783	629,435
User Groups' Contributions	5,000		5,000	-
Weddings and Attestations	30,950		30,950	16,270
Sundry	6,008	-	6,008	6,544
	<u>189,741</u>	<u>-</u>	<u>189,741</u>	<u>652,249</u>
Total Income	<u>2,806,929</u>	<u>1,587,072</u>	<u>4,394,001</u>	<u>4,376,789</u>

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

Expenses Summary

8 Voluntary Cost	Note	Unrestricted £	Restricted £	2022 £	2021 £
Printing and Publicity		45,835		45,835	29,202
Volunteer Expenses		4,326		4,326	2,314
Insurance		8,054		8,054	11,136
Subscriptions		8,531		8,531	6,564
		66,746	-	66,746	49,215
 9 Fundraising Cost		 £	 £	 £	 £
Salaries and Employer's NIC		89,600		89,600	60,972
Fundraising Events and Campaigns		109,802		109,802	75,518
Bookstall and Similar Supplies		11,262		11,262	6,089
		210,664	-	210,664	142,580
 10 Investment Management Costs		 £	 £	 £	 £
Salaries and Employer's NIC	13	95,741		95,741	99,245
Premises Expenses	13	89,943		89,943	90,467
Insurance	13	8,056		8,056	-
Finance Charges		39,722		39,722	46,755
Waqf Ltd.			566	566	500
		233,462	566	234,028	236,967
 11 Charitable Activities		 £	 £	 £	 £
<u>Educational Projects</u>					
Al Mizan School			444,309	444,309	428,551
London East Academy			565,060	565,060	588,276
Elm Evening Madrasah			74,369	74,369	74,909
		-	1,083,739	1,083,739	1,091,736
 Welfare Fund Distribution			36,889	36,889	3,000
Counsellor Fees			48,028	48,028	54,478
NHS Community Investment Scheme			15,400	15,400	-
Fitr Fund Distribution			55,190	55,190	66,475
Zakat Fund Distribution			90,095	90,095	4,960
		-	245,602	245,602	128,913
 Salaries and Employer's NIC	13	217,592		217,592	225,556
Premises Expenses	13	642,588		642,588	620,904
Archiving Expenses			23,687	23,687	11,642
Baraka Khan Visitor Centre			-	-	2,640
Winter Food Project			6,249	6,249	13,121
Burial Support				-	55,071
Covid19 Community Support			15,844	15,844	9,857
Iftar and Ihtikaf Expenses		19,574		19,574	21,097
Telephone, Fax and Internet	13	4,680		4,680	4,775
Computers and IT Expenses	13	7,513		7,513	7,088
Postage and Stationery	13	984		984	576
		892,930	45,780	938,711	972,328
		892,930	1,375,121	2,268,051	2,192,977

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements

for the Year Ended 31 March 2022

12	Support and Governance Costs:	Note	Unrestricted	Restricted	2022	2021
	a) Support Costs		£	£	£	£
	Salaries and Employer's NIC	13	487,407		487,407	505,246
	Insurance	13	8,054		8,054	11,136
	Telephone, Fax and Internet	13	4,680		4,680	4,775
	Computers and IT Expenses	13	7,513		7,513	7,088
	Postage and Stationery	13	984		984	576
	Legal and Professional Fees		41,233	21,000	62,233	20,358
	Training and Courses		1,002		1,002	600
	Book-Keeping and Accountancy		8,800		8,800	8,800
	Bank and Credit Card Charges		43,788		43,788	32,390
	Sundry		27,759		27,759	4,685
	Depreciation on FF and Equipment		66,033		66,033	67,196
	Loss on FA disposal				-	-
			697,253	21,000	718,253	662,850
	b) Governance Costs					
	Salaries and Employer's NIC	13	69,630		69,630	72,178
	Auditor remuneration		9,160		9,160	9,160
	Meetings and Training		3,643		3,643	324
	Trustee Indemnity insurance		212		212	-
			82,645	-	82,645	81,662
			779,897	21,000	800,897	744,512
	Total Expenses		2,183,700	1,396,687	3,580,387	3,366,251

13	Allocation of Costs:	Ratio	Total	Support	Governance	Voluntary	Investment Mgt cost	Charitable
	a) Charitable Activities:							
	Cleaning and Support Services	1: 9	309,385				30,938	278,446
	Service Charges	1: 1	7,303				3,652	3,652
	General Rates and Water	1: 9	28,727				4,316	24,411
	Lighting and Heating	1: 9	153,109				15,311	137,798
	Repairs and Maintenance	1: 9	220,313				22,031	198,281
			718,835	-	-	-	76,248	642,588
	b) Support Costs:							
	Computer and IT Expenses	1: 1	15,025	7,513				7,512
	Postage and Stationery	1: 1	1,968	984				984
	Insurance		24,164	8,054		8,054	8,056	-
	Salaries and Employer's NIC	56:8:11:25	870,369	487,407	69,630		95,741	217,592
	Telephone, Fax and Internet	1: 1	9,360	4,680				4,680
			920,886	508,637	69,630	8,054	103,797	230,768

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

14 Tangible Fixed Assets:	Freehold	Leasehold	Investment	Fixtures, Fittings	
	Land & Building	and Building	Properties	& Equipment	Total
	£	£	£	£	£
Cost or valuation:					
At 1 April 2021	13,281,232	10,456,034	16,049,751	1,571,326	41,358,343
Addition	60,000			62,088	122,088
Gains / (losses) on fair value of Fixed assets					-
Disposal					-
Land and Buildings transferred to FA Investment					-
	13,341,232	10,456,034	16,049,751	1,633,414	41,480,431
Depreciation:					
At 1 April 2021				1,099,087	1,099,087
Charge for the year				80,646	80,646
Eliminated by Disposal	-	-	-		-
				1,179,733	1,179,733
Net Book Value					
As at 31 March 2022	13,341,232	10,456,034	16,049,751	453,681	40,300,698
As at 31 March 2021	13,281,232	10,456,034	16,049,751	472,239	40,259,256

The value of the investment property elements of fixed assets, is comprised from mixed use properties including the LMC Building, Maryam Centre, and the main ELM building, as well as 8 other sole investment properties.

The sole investment properties are based in Maddams Street E3, Ernest Street E1, Eastern Avenue IG2, Ullin Street E14, Prioress House E3, Brimsdown House E3, and Fieldgate Street E1.

	2022	2021
	£	£
<u>Fair Value reconciliation</u>		
Cost of investment Properties	16,049,751	16,049,751
Reclassifications and additions	-	-
Gains / (losses) on revaluation of Fixed assets	-	-
	<u>16,049,751</u>	<u>16,049,751</u>

Trustees have considered that no fair value adjustments were required on mixed use land and buildings (with investment element), during the year (see below). Professional valuations were made on all sole investment properties in July 2020. The Trustees have considered that no fair value adjustments are required in the period to March 2022, as local property prices have remained stable in the period.

Property	Cost B/fwd	Cost @	Additions /
	£	31.03.2022	Disposals
	£	£	£
East London Mosque	5,203,000	5,203,000	-
London Muslim Centre Including Business Centre	15,825,000	15,825,000	-
Maryam Centre	12,650,000	12,710,000	60,000
Wellands Way (Northampton)	379,016	379,016	-
	<u>34,057,016</u>	<u>34,117,016</u>	<u>60,000</u>

The Wellands Way property is owned by ELMT Waqf Ltd. It is currently held for sale. See Note 27 for further details.

All sole investment properties are valued as below:

	Fair Value	Fair Value @	Gain / (Loss)
	B/fwd	31.03.2022	
	£	£	£
Total number of properties : 8	<u>5,730,000</u>	<u>5,730,000</u>	<u>-</u>
15 Debtors & Prepayments:	2022	2021	
	£	£	
Prepayments	68,658	61,016	
Rent and Others	386,051	488,886	
Welfare debtors	20,000	20,000	
Bad debts	(3,000)	(25,390)	
Payroll debtors	532	779	
Job Retention Scheme	13,048	47,678	
Student Fees	340,246	243,798	
	<u>825,535</u>	<u>836,767</u>	

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

16 Creditors: Falling due within one year	2022	2021
	£	£
Other Taxes and Social Security Costs	41,330	49,260
Trade Creditors	98,651	102,810
Rent and Hall Hire Deposits	117,142	104,531
Advance Tuition Fees	532,255	337,150
Accruals and Deferred Income	343,498	259,547
Al Rayan (IBB) Bank Loan	180,789	180,789
Qard Hasanah - Private Loan	1,893,873	1,893,873
Pension Contributions	13,597	17,339
	<u>3,221,139</u>	<u>2,945,299</u>

17 Creditors: Falling due after more than one year	2022	2021
	£	£
Qard Hasanah - Private Loan	2,623,932	2,886,573
Bank Loans	655,163	796,231
	<u>3,279,095</u>	<u>3,682,804</u>

18a) Private Loans: "Qard Hasanah" are loans from the charity's beneficiaries, which are repayable on request. There is no interest due or security given for these loans. Long-term Qard Hasanah loans have been contractually agreed with private individuals, as not repayable within 12 months. Short-term loans can be repayable at any time.

18b) FRS 102 departure (Private loans disclosure): FRS102 requires long-term interest-free loans to be stated at their present value. Effectively this would mean loan amounts stated in the account are lower than the actual amounts payable in future. This has potential to confuse the charity's stakeholders, as such the trustees have opted not to follow FRS102 treatment for these loans.

18 Analysis of Staff Costs:	2022	2021
	£	£
Total Salaries	1,880,318	1,894,759
Employer's NIC	134,314	137,146
Pension Contributions	101,754	96,562
Total Employment cost	<u>2,116,387</u>	<u>2,128,466</u>
Average number of employees: Support	30	33
Average number of employees: Direct charitable	94	88
	<u>124</u>	<u>121</u>
Employees paid in excess of £60,000	<u>-</u>	<u>1</u>

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

19 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2021: £Nil)

Key management personnel (this excludes all Company directors/trustees) received remuneration of £194,792 during the year (2021: £191,006) including pension costs.

The trustees did not have any expenses reimbursed during the year (2021 - £nil).

20 Pensions:

The charity's pension scheme incorporates a SMART salary sacrifice scheme. It was operated by Supertrust until January 2021, and when the provider exited the market, was resumed by Evolve. The new provider achieved Master Trust authorisation from the Pensions Regulator in April 2019. Employer's contributions made to pension schemes were £96,562 (2021: £79,921), recognised as an expense under staff emoluments.

21 Deferred income:

	2022 £	2021 £
At start 01.04.2021	552,151	558,220
Additions during the year	804,031	552,151
Amounts released to income	(552,151)	(558,220)
At end 31.03.2022	<u>804,031</u>	<u>552,151</u>

Deferred income occurs where the entity has raised invoices for a service to be provided in the next financial period.

This includes:

Rent and service charges: Invoices are raised a month in advance of the rent quarter to be billed.

Hall Hire: Bookings made for events occurring in the period after 31st March 2022 (None in this financial year).

Student fees: Fees invoices raised at the beginning of the school academic year, but actually pertaining to the next financial year. The academic year crosses 2 financial years, and fees are allocated accordingly. New students awaiting enrolment are also invoiced in advance.

22 Restricted Fund Movements

	Opening Balance 01.04.2021 £	Incoming Resources £	Resources Expended £	Adjustment £	Closing Balance 31.03.2022 £
Capital Grants					
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>2,418,750</u>
41 Fieldgate Street	822,454				822,454
Maryam Academy	159,131				159,131
Educational Projects					
London East Academy	303,101	574,336	565,060		312,378
Al Mizan	23,644	454,752	444,309		34,087
Evening Madrasah	9,218	68,330	74,369		3,178
	<u>335,963</u>	<u>1,097,418</u>	<u>1,083,739</u>	-	<u>349,642</u>
General Projects	-				-
Zakat Fitr Fund	65,116	138,738	145,285		58,569
Welfare Funds	112,460	63,914	36,889		139,486
Penny Appeal/EECF Counselling Grants	-	12,618	48,028	35,411	
Archiving Project	43,083	5,558	23,687		24,954
Baraka Khan Visitor Centre	112,060	-	-		112,060
Winter Food Campaign (Islamic Relief)	629	13,750	6,249		8,130
Kickstarter scheme		7,565			7,565
Burial Support	24,463	1,546			26,009
Covid 19 Community Support/EECF	24,738	4,293	15,844		13,187
NHS Community Investment Scheme	20,000		15,400		4,600
Waqf	-		566	566	-
Dome appeal		241,672	21,000		220,672
	<u>4,138,847</u>	<u>1,587,072</u>	<u>1,396,687</u>	<u>35,977</u>	<u>4,365,209</u>

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

23 Movement in Funds	Unrestricted Fund £	Designated Fund £	Unrestricted Total £	Restricted Fund £	Total Fund £
As at 1 April 2021	1,311,164	31,101,456	32,412,620	4,138,847	36,551,467
Current year surplus	623,229		623,229	190,385	813,614
Gains / (losses) on revaluation of Fixed assets					
Current year transfer	(481,128)	445,151	(35,977)	35,977	
As at 31 March 2022	<u>1,453,265</u>	<u>31,546,607</u>	<u>32,999,872</u>	<u>4,365,209</u>	<u>37,365,081</u>

Total funds include £726,297 (2021: £643,584) debtors receivable. Approximately £31.5m (2021: £31.1m) of designated funds are tied up in building construction and fixed asset additions. As at the balance sheet date the charitable company has £1.4m free reserves for its day to day operations.

24 Taxation

The entity is exempt from corporation tax, as it engages in charitable activities. Part of rental income is VATable at a rate of Profitable returns within ELMT Waqf Ltd., when generated, are expected to be fully donated to the parent, thus ELMT Waqf, whilst not being tax exempt, is still not expected to incur a Corporation Tax liability, by virtue of donating all returns for charitable purpose.

25 Auditors' Remuneration

	2022 £	2021 £
Auditor's Remuneration for the audit of the charity's annual accounts	<u>11,250</u>	<u>11,250</u>
Fees Payable to the charity's auditor for non-audit services	<u>11,210</u>	<u>11,210</u>

26 Contingent Liabilities

The entity had no contingent liabilities as at 31 March 2022 nor at 31 March 2021.

27 Related Party Transactions

In December 2020, the Trust made a loan of £400,000 to its subsidiary, ELMT Waqf Ltd, in which one of the Trustees, Ayub Khan shares common directorships with ELMT. Dilowar Hussain Khan, an employee, and Director of Finance at ELMT, is also a director of ELMT Waqf Ltd.

The purpose of ELMT Waqf Ltd is to invest funds entrusted by donors in projects that will help sustain the activities of ELMT in the future. ELMT Waqf Ltd completed the purchase of two plots of land at a cost of £379,016 on Welland Way, in Northampton. The developments have been completed, and the properties have received an offer the estate agent Connell's, has stated as approximately £0.5m. As no formal contracts have been exchanged at the time of signing accounts, there is no post balance sheet event to disclose on a sale. Charities SORP does not require assets held for sale during the year to be disclosed within non-current assets.

None of the directors of ELMT or ELMT Waqf Ltd currently have financial interests associated with either entity.

The loan funds are eliminated on consolidation, as ELMT Waqf Ltd is a fully owned subsidiary of the East London Mosque Trust.

28 Volunteers

The charity benefited from work performed by volunteers, including counting of cash collections, and stewarding during Friday prayers, and Ramadan.

29 Capital Commitments

£210k has been spent to date, on extension work to the Maryam Centre (Phase 3). It is estimated that up to another £2m will be complete this. The works are expected to be completed by the autumn of 2023.

30 Government grants

The entity received total grants of £184,210 to subsidise workforce retention in the financial year, via the HMRC Job Retention

31 Grant making

The entity contracted out delivery of a project around organ donation awareness, to other entities during the year. The initial funding for this project was held as unspent in the last financial year, the donor being the NHS Community Investment Scheme.

32 Zakaat and Fitr

Payments were made after the year-end to several organisations who specialised in these charitable distributions. These included Islamic Relief, Muntada Aid, Human Appeal, Global Relief Trust, Help Yateem, Penny Appeal, and 13 Rivers Trust

33 Events after the reporting period

An investment of £1m was made into Matz Medical Ltd. in April 2022, as the Trust sought to diversify its investment portfolio. The returns will be generated through advancement of funds for procurement of medical instruments and supplies, by the NHS. In August 2022, the Trust entered into negotiations with another company, as it was exploring a new investment opportunity in property development.

EAST LONDON MOSQUE TRUST

Notes to the Financial Statements for the Year Ended 31 March 2022

36 Analysis of changes in net debt

The analysis below serves as a note to the consolidated cash flow statement on Page 19:

	At start of year	Cash flows	Acq/disposal of subsidiaries	New finance leases	Fair value movements	Forex movements	Other non- cash changes	At end of year
	£	£	£	£	£	£	£	£
Cash	2,080,097	655,957	-	-	-	-	-	2,736,055
Cash equivalents	-	-	-	-	-	-	-	-
Overdraft facility	-	-	-	-	-	-	-	-
Total cash	2,080,097	663,086						2,736,055
Private loans <1 year	(1,893,873)	-	-	-	-	-	-	(1,893,873)
Private loans >1 year	(2,886,573)	262,641	-	-	-	-	-	(2,623,932)
Bank loans < 1 year	(180,789)	180,789	-	-	-	-	(180,789)	(180,789)
Bank loans > 1 year	(796,230)	-	-	-	-	-	141,068	(655,162)
Finance leases	-	-	-	-	-	-	-	-
Total borrowings	(5,757,465)	443,430	-	-	-	-	39,721	5,353,756
TOTAL	(3,677,368)	1,106,516	-	-	-	-	(39,721)	(2,617,701)