

Charity Registration No 1058998

Company Registration No 03142456 (England and Wales)

**ISLAMIC CENTRE OF ENGLAND LTD**  
**TRUSTEES' REPORT AND UNAUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

SATURDAY



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# ISLAMIC CENTRE OF ENGLAND LTD

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	S Ranani H Faraji A Moezzi
<b>Secretary</b>	H Faraji
<b>Charity number</b>	1058998
<b>Company number</b>	03142456
<b>Principal address</b>	140 Maida Vale London W9 1QB
<b>Registered office</b>	140 Maida Vale London W9 1QB
<b>Auditors</b>	Bhalloo & Company Limited 50 Throwley Way Sutton Surrey SM1 4BF
<b>Bankers</b>	Melli Bank Plc 4 Moorgate London EC2R 6AL
<b>Solicitors</b>	Kidd Rapinet 14-15 Craven Street London WC2N 5AD

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# ISLAMIC CENTRE OF ENGLAND LTD

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# ISLAMIC CENTRE OF ENGLAND LTD

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2010

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The trustees present their report and audited accounts for the year ended 31 December 2010

#### Structure, governance and management

##### Constitution

Islamic Centre is constituted as a company limited by guarantee (No 03142456) and Registered Charity (No 1058998) It was incorporated under the Companies Act 1985 on 29 December 1995 and registered with the Charity Commission on 04 November 1996 As an organisation we are governed by our Memorandum and Articles of Association In the event of winding up, members are required to contribute (not exceeding £10) to the company's assets

The trustees, who are also the directors for the purpose of company law, who served during the year were

S Ranani

H Faraji

A Moezzi

##### Method of appointment and training of new trustees

The trustees may appoint a person who is willing to act to be a trustee, at all times one of the trustees shall be a representative of the Supreme Spiritual Leadership of the Islamic Republic of Iran New trustees receive an induction early on in their tenure, thus ensuring their full understanding of the organisation, its operations, its staff and its ethos and values The induction process sets out briefs to new trustees, what is expected of trustees by the charity, the law and the Charity Commission New trustees also receive regular updates and briefings on the above matters from senior trustees

The trustees of Islamic Centre of England Ltd are members of the council of management The directors of Islamic Centre of England Ltd for the purposes of the Companies Act 2006 are the Trust's officers

The trustees are responsible for the overall management and control of the Trust and meet regularly to manage its affairs Staff resources are divided into religious and clerics, education and promotion of Islam, fundraising, finance and administration

##### Investment Powers

Trustees have powers under the charity's Memorandum and Articles of Association to invest in the name of charity

##### Related parties

The charity does not hold assets on behalf of another charity The related parties are directors who are also trustees

##### Risk management

The managing trustees have examined the major strategic, business and operational risks which the organisation faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks The managing trustees have also assessed the risks of not meeting payments to suppliers and the use of restricted funds for other purposes and are satisfied that systems are in place to mitigate our exposure to such risks

# **ISLAMIC CENTRE OF ENGLAND LTD**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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### **Objectives and activities**

The company is a registered charity with the object of advancing the religion of Islam and education, and the provision of social and religious welfare facilities

The charity has only one reserve, the General Fund that can only be used for the purposes of meeting the objectives of Islamic Centre of England Ltd. During the year, the fund was utilised for the following activities,

#### **a) Propagation of Islam**

Propagation of Islam was the main activity of the charity and this was carried out by the publication of brochures, pamphlets and production of films and video for free distribution to public. The Centre also arranged the weekly religious programs in English and other languages. Madrasa classes were also held to teach Quran to students.

#### **b) Educational support**

During the year, education grants were made to various Islamic centres and schools throughout the UK, namely in Glasgow, Cardiff, Birmingham, Manchester and Leeds. The Charity also granted scholarships to a number of individuals.

#### **c) Social, Religious and Welfare Activities**

During the year, the charity organised various activities in celebration of Ramadan, Eid, Hajj and other Islamic festivals for members and new converts who have no other affiliation with other Islamic community. Counselling sessions were also available for those with marriage and family predicaments.

#### **d) Other activities**

Other activities organised and held by the charity during the year included sports tournaments, Quran reading competitions, Hajj support and medical assistance.

### **Achievements and performance**

The charity continues to provide services of a mosque to promote the Muslim faith to all age groups and to provide services to learn the teachings of The Koran.

The charity continues to offer teachings to promote the Muslim way of life and continues to provide the services of a book shop to the community on all aspects of Islam by selling books and videos.

Furtherance in relation to the charities objects during the year includes expansion of services via internet television transmission to community covering services such as Azaan, discussion topics and other topical issues.

The charity also successfully provided language courses this includes Urdu, English, Persian and Arabic to 250 people.

### **Financial review**

# ISLAMIC CENTRE OF ENGLAND LTD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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### Reserve policy

Accumulated funds comprise the accumulated surplus or deficit on the statement of financial activities which are available for use at the discretion of the Trustees of Islamic Centre in furtherance of the objects of the charity

### Financial Review

The accounts have been prepared in accordance with the Statement of Recommended Practice for charities

The Statement of Financial Activities shows how the Trust's fund have been applied during the year. The gross receipts of the organization was £ 1,236,940 (2009 -£ 739,025) of which £27,183 (2009 -£ 22,392) was raised internally from the sale of books and cassettes, from the hire of the conference hall and fees charged in connection with the conduct of marriages and other religious activities

Donations directly related to the principle activities amounted to £ 1,209,757 (2009 - £716,633)

At 31st December 2010, the balance on the restricted fund was £3,426,239. As the charity's income is dependent upon the goodwill of fellow worshippers, the managing trustees are of the opinion that the level of direct activities should be proportionate to such income

### Plans for the future

The charity will continue to focus on promoting the religion of Islam and education, and the provision of social and religious facilities

The charity continues with the efforts to modernise the mosque and to carry out repairs and maintenance to the building

### Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information


### Auditors

A resolution proposing that Bhalloo & Company Limited be reappointed as auditors of the company will be put to the members

On behalf of the board of trustees

H Faraji  
Director

Dated

  
26/9/2011

# **ISLAMIC CENTRE OF ENGLAND LTD**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ISLAMIC CENTRE OF ENGLAND LTD**

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We have audited the accounts of Islamic Centre of England LTD for the year ended 31 December 2010 set out on pages 6 to 14. These accounts have been prepared in accordance with the accounting policies set out on page 8.

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 auditors' 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 its 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 described in the statement of Trustees' responsibilities, the trustees, who are also the directors of Islamic Centre of England LTD for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

# ISLAMIC CENTRE OF ENGLAND LTD

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF ISLAMIC CENTRE OF ENGLAND LTD

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#### Opinion

In our opinion

- the accounts give a true and fair view of the state of the charity's affairs as at 31 December 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the accounts have been prepared in accordance with the Companies Act 2006, and
- In our opinion the information given in the Trustees' Report is consistent with the accounts



T Ghni (Senior Statutory Auditor)

for and on behalf of Bhalloo & Company Limited

Chartered Certified Accountants

Statutory Auditor

50 Throwley Way

Sutton

Surrey

SM1 4BF

Dated 26-9-2011



# ISLAMIC CENTRE OF ENGLAND LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
<b><u>Incoming resources from generated funds</u></b>					
Donations	2	-	1,209,757	1,209,757	716,633
Non-charitable income	3	11,338	15,845	27,183	22,392
<b>Total incoming resources</b>		<b>11,338</b>	<b>1,225,602</b>	<b>1,236,940</b>	<b>739,025</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Fundraising and Publicity	4	-	141,500	141,500	27,945
<b>Charitable activities</b>					
Donation to other islamic educational institutions		-	443,091	443,091	172,306
Religious activities and propogation		-	30,027	30,027	33,993
Welfare activities		-	31,213	31,213	43,352
Other direct expenses		-	230,581	230,581	244,085
<b>Total charitable expenditure</b>		<b>-</b>	<b>734,912</b>	<b>734,912</b>	<b>493,736</b>
Governance costs	5	-	246,296	246,296	260,864
<b>Total resources expended</b>		<b>-</b>	<b>1,122,708</b>	<b>1,122,708</b>	<b>782,545</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>11,338</b>	<b>102,894</b>	<b>114,232</b>	<b>(43,520)</b>
Fund balances at 1 January 2010		68,056	3,323,344	3,391,400	3,434,920
<b>Fund balances at 31 December 2010</b>		<b>79,394</b>	<b>3,426,238</b>	<b>3,505,632</b>	<b>3,391,400</b>

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

 H. FARAJI

# ISLAMIC CENTRE OF ENGLAND LTD

## BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	9	3,427,463		3,423,526	
<b>Current assets</b>					
Debtors	10	374		4,995	
Cash at bank and in hand		131,383		9,834	
		131,757		14,829	
Creditors amounts falling due within one year	11	(50,241)		(46,955)	
<b>Net current assets/(liabilities)</b>		81,516		(32,126)	
<b>Total assets less current liabilities</b>		3,508,979		3,391,400	
Creditors amounts falling due after more than one year	12	(3,347)		-	
<b>Net assets</b>		3,505,632		3,391,400	
<b>Income funds</b>					
Restricted funds	13	3,426,238		3,323,344	
Unrestricted funds		79,394		68,056	
		3,505,632		3,391,400	

The accounts were approved by the Board on 26/9/2011

Director

H. FARAJI

Company Registration No 03142456

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

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### 1 Accounting policies

#### 1.1 Basis of preparation

The audited accounts have been prepared under the historical cost convention

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

#### 1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognized as incoming resources when receivable

##### Donated Services

No amounts are included in the financial statements for services donated by volunteers because these amounts cannot be quantified with reasonable accuracy

Donated Services No amounts are included in the financial statements for services donated by volunteers because these amounts cannot be quantified with reasonable accuracy

#### 1.3 Resources expended

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay Expenditure has been classified under headings that aggregate all costs related to that category

##### Costs of generating funds

Costs incurred in attracting voluntary income and for publicity purpose

##### Charitable activities

Costs associated with donation to other Islamic educational institutions, religious activities and propagation, welfare activities and other direct expenses

##### Governance costs

Costs associated with the governance arrangements of Islamic Centre, included within this category are costs associated with the day-to-day management of the Islamic Centre activities This includes such items as external audit, legal advice and costs associated with constitutional and statutory requirements

##### Support cost

The number of staff involved in an activity is deemed to be the appropriate basis for allocating support costs as it closely reflects the resources usage of the support functions of the core activities

##### Recognition of Liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice and Reporting (effective April 2005) issued by the Charity Commission

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 1 Accounting Policies

(continued)

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

No depreciation is provided on freehold buildings as it is the company's policy to maintain these so as to extend their useful lives

#### 1.5 Accumulated funds

Accumulated funds comprise the accumulated surplus or deficit on the statement of financial activities which are available for use at the discretion of the Trustees of Islamic Centre in furtherance of the objects of the charity

### 2 Donations

	2010 £	2009 £
Donations and gifts	<u>1,209,757</u>	<u>716,633</u>

### 3 Non-charitable income

	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
Sale of Books & Cassettes and Hire of Hall	11,338	-	11,338	11,159
Receipts from Conduct of Marriage and other	-	15,845	15,845	11,233
	<u>11,338</u>	<u>15,845</u>	<u>27,183</u>	<u>22,392</u>

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 4 Total resources expended

	Staff costs £	Other costs £	Total 2010 £	Total 2009 £
<b>Costs of generating funds</b>				
Fundraising and Publicity	-	141,500	141,500	27,945
<b>Charitable activities</b>				
<u>Donation to other Islamic educational institutions</u>				
Activities undertaken directly	-	443,091	443,091	172,306
<u>Religious activities and propagation</u>				
Activities undertaken directly	-	30,027	30,027	33,993
<u>Welfare activities</u>				
Activities undertaken directly	-	31,213	31,213	43,352
<u>Other direct expenses</u>				
Activities undertaken directly	-	57,097	57,097	57,250
Support costs	173,484	-	173,484	186,835
Total	173,484	57,097	230,581	244,085
	173,484	561,428	734,912	493,736
<b>Governance costs</b>	10,875	235,421	246,296	260,864
	184,359	938,349	1,122,708	782,545

Governance costs includes payments to the auditors of £11,750 (2009 £11,750) for audit fees

### 5 Support costs

	2010 £	2009 £
Staff costs	173,484	186,835
	173,484	186,835

Staff support costs have been allocated to other direct expenses on the basis of the number of direct staff supported during the year

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 6 Governance costs

	2010 £	2009 £
Other governance costs comprise		
Insurance	7,340	7,601
Light & heat	52,028	26,962
Repair & maintenance	29,034	42,312
Printing postage & Stationery	37,464	51,823
Telephone & fax	12,735	14,469
Motor & travel	43,483	35,232
Legal & professional	3,511	3,042
Audit fee	11,750	11,750
Bank charges	3,131	4,236
Hire of equipment	2,691	6,273
Computer & internet	7,852	14,675
Cleaning	6,293	4,455
Sundries	7,199	2,632
Bad Debtors	-	18,300
Credit Card Charges	346	-
Books & Journals	7,491	5,000
Hire Purchase Interest	1,737	-
Subscription	500	-
Staff Training	836	-
	<u>235,421</u>	<u>248,762</u>

### 7 Trustees Remuneration

Staff cost includes remuneration of £30,000 (2009 - £21,353) paid during the year to one of trustee (Mr M Abdoulhossein), as per clause 5 of Memorandum & Articles of Association and with written consent of Chanty Commission. All trustees are of view that Mr M Abdoulhossein uniquely possesses spiritual charisma and ability to strengthen the faith of Shia Muslims and also he does not have other means of providing for himself and his family.

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was

	2010 Number	2009 Number
Engaged on management and governance activities	3	3
Engaged on support activities	16	16
	<u>19</u>	<u>19</u>

#### Employment costs

	2010 £	2009 £
Wages and salaries	173,484	186,835
Social security costs	10,875	12,102
	<u>184,359</u>	<u>198,937</u>

There were no employees whose annual remuneration was £60,000 or more

### 9 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2010	3,281,660	18,425	423,255	45,645	3,768,985
Additions	-	-	17,148	15,535	32,683
<b>At 31 December 2010</b>	<u>3,281,660</u>	<u>18,425</u>	<u>440,403</u>	<u>61,180</u>	<u>3,801,668</u>
<b>Depreciation</b>					
At 1 January 2010	-	7,109	302,800	35,550	345,459
Charge for the year	-	1,697	20,641	6,408	28,746
<b>At 31 December 2010</b>	<u>-</u>	<u>8,806</u>	<u>323,441</u>	<u>41,958</u>	<u>374,205</u>
<b>Net book value</b>					
<b>At 31 December 2010</b>	<u>3,281,660</u>	<u>9,619</u>	<u>116,962</u>	<u>19,222</u>	<u>3,427,463</u>
At 31 December 2009	<u>3,281,660</u>	<u>11,316</u>	<u>120,455</u>	<u>10,095</u>	<u>3,423,526</u>

# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

<b>10 Debtors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	<u>374</u>	<u>4,995</u>
<b>11 Creditors amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Net obligations under finance lease and hire purchase contracts	3,347	-
Taxes and social security costs	5,524	10,472
Wages Control Account	36,302	28,927
Other creditors	1,331	-
Accruals	3,737	7,556
	<u>50,241</u>	<u>46,955</u>
<b>12 Creditors amounts falling due after more than one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<u>3,347</u>	<u>-</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	3,949	-
Repayable between one and five years	3,949	-
	<u>7,898</u>	<u>-</u>
Finance charges and interest allocated to future accounting periods	(1,204)	-
	<u>6,694</u>	<u>-</u>
Included in liabilities falling due within one year	(3,347)	-
	<u>3,347</u>	<u>-</u>



# ISLAMIC CENTRE OF ENGLAND LTD

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2010

### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Balance at 1 January 2010	Movement in funds		Balance at 31 December 2010
	£	Incoming resources	Resources expended	£
Retained surplus for the financial year	-	1,225,602	(1,122,708)	102,894
Retained surplus at 1st January 2010	3,323,344	-	-	3,323,344
	<u>3,323,344</u>	<u>1,225,602</u>	<u>(1,122,708)</u>	<u>3,426,238</u>

### 14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2010 are represented by			
Tangible fixed assets	3,784	3,423,679	3,427,463
Current assets	122,504	9,253	131,757
Creditors amounts falling due within one year	(46,894)	(3,347)	(50,241)
Creditors amounts falling due after more than one year	-	(3,347)	(3,347)
	<u>79,394</u>	<u>3,426,238</u>	<u>3,505,632</u>

The Company Secretary  
ISLAMIC CENTRE OF ENGLAND LTD  
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CF14 3UZ  
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DX 33050 Cardiff  
[www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

Your Ref  
Our Ref AA/03142456/GF  
Date 29/09/2011

Dear Sir/Madam

**ISLAMIC CENTRE OF ENGLAND LTD**

Thank you for your enclosed document. Unfortunately, we have been unable to accept it for the following reason(s)

A director of the company must sign at the foot of the balance sheet. This must include the printed name of the director who signed the accounts on behalf of the board.

To avoid a late filing penalty, acceptable accounts must be received at Companies House by 30/09/2011. Please submit acceptable accounts without delay.

Yours faithfully

Companies House

Encs

*Signed and Printed  
name.  
Kind Regards  
FARAJI*

