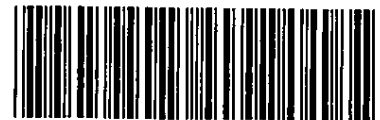


REGISTERED COMPANY NUMBER: 03142456 (England and Wales)
REGISTERED CHARITY NUMBER: 1058998

Report of the Trustees and
Financial Statements For The Year Ended 31 December 2011
for
Islamic Centre of England Ltd

Shah Bhalloo & Co Limited
Registered Auditors
50 Throwley Way
Sutton
Surrey
SM1 4BF

THURSDAY



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COMPANIES HOUSE

Islamic Centre of England Ltd

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for the Year Ended 31 December 2011

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Islamic Centre of England Ltd

Report of the Trustees

for the Year Ended 31 December 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03142456 (England and Wales)

Registered Charity number

1058998

Registered office

140 Maida Vale
London
W9 1QB

Trustees

S Ranani
H Faraji
A Moezi

Company Secretary

H Faraji

Auditors

Shah Bhalloo & Co Limited
Registered Auditors
50 Throwley Way
Sutton
Surrey
SM1 4BF

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The trustees may appoint a person who is willing to act as a trustee. At all times one of the trustees shall be a representative of the Supreme Spiritual Leadership of the Islamic Republic of Iran.

Induction and training of new trustees

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.

Organisational structure

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 the its affairs. Staff resources are divided into religious and clerics, education and promotion of Islam, fundraising, finance and administration.

Related parties

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

Significant activities

The charity has only one reserve, the General Fund that can 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 the 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

ACHIEVEMENT 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 charity's 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 which include Urdu, English, Persian and Arabic

FINANCIAL REVIEW

Reserves 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 Statement of Financial Activities shows how the Trust's funds have been applied during the year. The gross receipts of the organisation was £1,095,177 (2010 - £1,236,940) of which £31,851 (2010 - £27,183) was raised internally from 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 principal activities amounted to £1,063,326 (2010 - £1,209,757)

At 31 December 2011, the balance on the restricted fund was £3,401,729. 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.

FUTURE DEVELOPMENTS

The charity will continue to focus on promoting the religion of Islam and education, 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.

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 Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Shah Bhalloo & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Islamic Centre of England Ltd

Report of the Trustees
for the Year Ended 31 December 2011

ON BEHALF OF THE BOARD

A Moezi - Trustee

A handwritten signature in black ink, consisting of a large, stylized 'A' with a horizontal line through it, and a smaller 'M' below it.

26 September 2012

Report of the Independent Auditors to the Members of
Islamic Centre of England Ltd

We have audited the financial statements of Islamic Centre of England Ltd for the year ended 31 December 2011 on pages seven to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Islamic Centre of England Ltd

Matters on which we are required to report by exception

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

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



Dhiraj Shah (Senior Statutory Auditor)
for and on behalf of Shah Bhalloo & Co Limited
Registered Auditors
50 Throwley Way
Sutton
Surrey
SM1 4BF

26 September 2012

Islamic Centre of England Ltd

Statement of Financial Activities
for the Year Ended 31 December 2011

	Notes	Unrestricted funds £	Restricted funds £	31 12 11 Total funds £	31 12 10 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	-	1,063,326	1,063,326	1,209,757
Activities for generating funds	3	13,251	18,600	31,851	27,183
Total incoming resources		13,251	1,081,926	1,095,177	1,236,940
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	4	-	230,832	230,832	141,500
Charitable activities					
Donation to other Islamic educational institutions	5	-	515,796	515,796	443,091
Religious activities and propagation		-	25,996	25,996	30,027
Welfare activities		-	-	-	31,213
Other direct activities		-	162,254	162,254	230,582
Governance costs	7	-	227,393	227,393	246,293
Other resources expended		-	1	1	-
Total resources expended		-	1,162,272	1,162,272	1,122,706
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		13,251	(80,346)	(67,095)	114,234
Gross transfers between funds	15	(55,835)	55,835	-	-
Net incoming/(outgoing) resources		(42,584)	(24,511)	(67,095)	114,234
RECONCILIATION OF FUNDS					
Total funds brought forward		79,394	3,426,240	3,505,634	3,391,400
TOTAL FUNDS CARRIED FORWARD		36,810	3,401,729	3,438,539	3,505,634

The notes form part of these financial statements

Islamic Centre of England Ltd

Balance Sheet

At 31 December 2011

	Notes	Unrestricted funds £	Restricted funds £	31 12 11 Total funds £	31 12 10 Total funds £
FIXED ASSETS					
Tangible assets	11	-	3,416,589	3,416,589	3,427,464
CURRENT ASSETS					
Debtors	12	-	12,924	12,924	374
Cash at bank and in hand		36,810	-	36,810	131,383
		<u>36,810</u>	<u>12,924</u>	<u>49,734</u>	<u>131,757</u>
CREDITORS					
Amounts falling due within one year	13	-	(27,784)	(27,784)	(50,240)
NET CURRENT ASSETS/(LIABILITIES)		<u>36,810</u>	<u>(14,860)</u>	<u>21,950</u>	<u>81,517</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		36,810	3,401,729	3,438,539	3,508,981
CREDITORS					
Amounts falling due after more than one year	14	-	-	-	(3,347)
NET ASSETS		<u>36,810</u>	<u>3,401,729</u>	<u>3,438,539</u>	<u>3,505,634</u>
FUNDS	15				
Unrestricted funds				36,810	79,394
Restricted funds				<u>3,401,729</u>	<u>3,426,240</u>
TOTAL FUNDS				<u>3,438,539</u>	<u>3,505,634</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 26 September 2012 and were signed on its behalf by

A Moezi -Trustee



The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Donated services

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

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Cost of generating funds

Costs incurred in attracting voluntary income and for publicity purposes

Allocation and apportionment of costs

Direct charitable costs are allocated as specified in relation to receipts from donors

All other costs are allocated as specified in the notes to the financial statements

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery etc - 25% on reducing balance and 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

2. VOLUNTARY INCOME

	31 12 11	31 12 10
	£	£
Donations and gifts	<u>1,063,326</u>	<u>1,209,757</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

3 ACTIVITIES FOR GENERATING FUNDS

	31 12 11	31 12 10
	£	£
Sales of books	13,251	11,338
Receipt from conduct of marriages	18,600	15,845
	<u>31,851</u>	<u>27,183</u>

4 COSTS OF GENERATING VOLUNTARY INCOME

	31 12 11	31 12 10
	£	£
Advertising	30,611	31,023
Publication	200,221	110,477
	<u>230,832</u>	<u>141,500</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 6)	Totals
	£	£	£
Donation to other Islamic educational institutions	515,796	-	515,796
Religious activities and propagation	25,996	-	25,996
Other direct activities	25,514	136,740	162,254
	<u>567,306</u>	<u>136,740</u>	<u>704,046</u>

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

6. SUPPORT COSTS

	Management £
Other direct activities	<u>136,740</u>

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

7. GOVERNANCE COSTS

	31 12 11	31 12 10
	£	£
Auditors' remuneration	12,000	11,750
Social Security	-	10,875
Insurance	6,429	7,340
Light & heat	40,242	52,028
Repairs & maintenance	29,645	29,034
Printing postage & stationery	52,019	37,464
Telephone & fax	18,441	12,735
Motor & travel	19,519	43,483
Legal & professional	2,987	3,511
Bank charges	2,199	3,131
Hire of equipment	2,826	2,691
Computer & internet	10,134	7,852
Cleaning	4,552	6,293
Sundries	9,828	7,196
Credit card charges	234	346
Books & journals	12,484	7,491
Hire purchase interest	3,805	1,737
Subscription	49	500
Staff training	-	836
	<u>227,393</u>	<u>246,293</u>

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

8 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	31 12 11	31 12 10
	£	£
Auditors' remuneration	12,000	11,750
Depreciation - owned assets	<u>25,513</u>	<u>28,745</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

	31 12 11	31 12 10
	£	£
Trustees' salaries	<u>30,000</u>	<u>30,000</u>

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 December 2011 nor for the year ended 31 December 2010.

10. STAFF COSTS

	31 12 11	31 12 10
	£	£
Wages and salaries	<u>136,740</u>	<u>173,484</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

11 TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2011	3,281,660	520,008	3,801,668
Additions	-	14,638	14,638
	<hr/>	<hr/>	<hr/>
At 31 December 2011	3,281,660	534,646	3,816,306
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2011	-	374,204	374,204
Charge for year	-	25,513	25,513
	<hr/>	<hr/>	<hr/>
At 31 December 2011	-	399,717	399,717
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2011	3,281,660	134,929	3,416,589
	<hr/>	<hr/>	<hr/>
At 31 December 2010	3,281,660	145,804	3,427,464
	<hr/>	<hr/>	<hr/>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 12 10 £
Trade debtors	5,000	-
Other debtors	7,924	374
	<hr/>	<hr/>
	12,924	374
	<hr/>	<hr/>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 12 10 £
Hire purchase	-	3,347
Taxation and social security	22,972	41,826
Other creditors	4,812	5,067
	<hr/>	<hr/>
	27,784	50,240
	<hr/>	<hr/>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 11 £	31 12 10 £
Hire purchase	-	3,347
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2011

15 MOVEMENT IN FUNDS

	At 1 1 11 £	Net movement in funds £	Transfers between funds £	At 31 12 11 £
Unrestricted funds				
Unrestricted	79,394	13,251	(55,835)	36,810
Restricted funds				
Restricted fund	3,426,240	(80,346)	55,835	3,401,729
TOTAL FUNDS	<u>3,505,634</u>	<u>(67,095)</u>	<u>-</u>	<u>3,438,539</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted	13,251	-	13,251
Restricted funds			
Restricted fund	1,081,926	(1,162,272)	(80,346)
TOTAL FUNDS	<u>1,095,177</u>	<u>(1,162,272)</u>	<u>(67,095)</u>