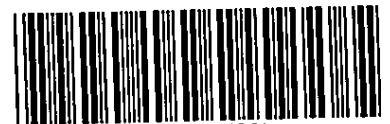


Charity Registration No 1058998

Company Registration No 03142456 (England and Wales)

ISLAMIC CENTRE OF ENGLAND LTD
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

TUESDAY



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ISLAMIC CENTRE OF ENGLAND LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Ranani H Faraji A Moezzi
Secretary	H Faraji
Charity number	1058998
Company number	03142456
Principal address	140 Maida Vale London W9 1QB
Registered office	140 Maida Vale London W9 1QB
Accountants	Bhalloo & Company Limited 50 Throwley Way Sutton Surrey SM1 4BF
Bankers	Melli Bank Plc 4 Moorgate London EC2R 6AL National Westminster Bank Plc 160 Cricklewood Broadway London NW2 3ED Habibsons Bank Limited 55-56 St James Street London SW1A 1LA
Solicitors	Kidd Rapinet 14-15 Craven Street London WC2N 5AD

ISLAMIC CENTRE OF ENGLAND LTD

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ISLAMIC CENTRE OF ENGLAND LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The trustees present their report and audited accounts for the year ended 31 December 2009

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 2009

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 2009

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 £739,025 (2008 - £894,792) of which £22,392 (2008 - £27,603) 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 £716,633 (2008 - £867,189)

At 31st December 2009, the balance on the restricted fund was £3,323,344. 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

Director

H FARAJI

Dated

23/09/2010

ISLAMIC CENTRE OF ENGLAND LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISLAMIC CENTRE OF ENGLAND LTD

We have audited the accounts of Islamic Centre of England LTD for the year ended 31 December 2009 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

Opinion

In our opinion

- the accounts give a true and fair view of the state of the charity's affairs as at 31 December 2009, 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 Gihi (Senior Statutory Auditor)

for and on behalf of Bhalloo & Company Limited

Chartered Certified Accountants

Statutory Auditor

50 Throwley Way

Sutton

Surrey

SM1 4BF

Dated

23-9-2010

ISLAMIC CENTRE OF ENGLAND LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<u>Incoming resources from generated funds</u>					
Donations	2	-	716,633	716,633	867,189
Non-charitable income	3	11,159	11,233	22,392	27,603
Total incoming resources		11,159	727,866	739,025	894,792
<u>Resources expended</u>					
<u>Costs of generating funds</u>					
Fundraising and Publicity	4	-	27,945	27,945	19,940
<u>Charitable activities</u>					
Donation to other islamic educational institutions		-	172,306	172,306	166,867
Religious activities and propogation		-	33,993	33,993	63,456
Welfare activities		-	43,352	43,352	112,849
Other direct expenses		-	244,085	244,085	272,680
Total charitable expenditure		-	493,736	493,736	615,852
Governance costs	5	-	260,864	260,864	229,085
Total resources expended		-	782,545	782,545	864,877
Net income/(expenditure) for the year/ Net movement in funds		11,159	(54,679)	(43,520)	29,915
Fund balances at 1 January 2009		56,897	3,378,023	3,434,920	3,405,005
Fund balances at 31 December 2009		68,056	3,323,344	3,391,400	3,434,920

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

All incoming resources and resources expended derive from continuing activities

ISLAMIC CENTRE OF ENGLAND LTD

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	9	3,423,526		3,438,730	
Current assets					
Debtors	10	4,995		18,300	
Cash at bank and in hand		9,834		22,227	
		14,829		40,527	
Creditors amounts falling due within one year	11	(46,955)		(44,337)	
Net current liabilities		(32,126)		(3,810)	
Total assets less current liabilities		3,391,400		3,434,920	
Income funds					
Restricted funds	12	3,323,344		3,378,023	
Unrestricted funds		68,056		56,897	
		3,391,400		3,434,920	

The accounts were approved by the Board on 23/9/10

Director H FARAJI

Company Registration No 03142456

ISLAMIC CENTRE OF ENGLAND LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2009

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 2009

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

	2009 £	2008 £
Donations and gifts	<u>716,633</u>	<u>867,189</u>

3 Non-charitable income

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Sale of Books & Cassettes and Hire of Hall	11,159	-	11,159	15,114
Receipts from Conduct of Marriage and other	-	11,233	11,233	12,489
	<u>11,159</u>	<u>11,233</u>	<u>22,392</u>	<u>27,603</u>

ISLAMIC CENTRE OF ENGLAND LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

4 Total resources expended

	Staff costs £	Other costs £	Total 2009 £	Total 2008 £
Costs of generating funds				
Fundraising and Publicity	-	27,945	27,945	19,940
Charitable activities				
<u>Donation to other islamic educational institutions</u>				
Activities undertaken directly	-	172,306	172,306	166,867
<u>Religious activities and propogation</u>				
Activities undertaken directly	-	33,993	33,993	63,456
<u>Welfare activities</u>				
Activities undertaken directly	-	43,352	43,352	112,849
<u>Other direct expenses</u>				
Activities undertaken directly	-	57,250	57,250	67,105
Support costs	186,835	-	186,835	205,575
Total	186,835	57,250	244,085	272,680
	186,835	306,901	493,736	615,852
Governance costs	12,102	248,762	260,864	229,085
	198,937	583,608	782,545	864,877

Governance costs includes payments to the auditors of £11,750 (2008 £11,669) for audit fees

5 Support costs

	2009 £	2008 £
Staff costs	186,835	205,575
	186,835	205,575

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 2009

6 Governance costs

	2009	2008
	£	£
Other governance costs comprise		
Insurance	7,601	7,985
Light & heat	26,962	19,542
Repair & maintenance	42,312	33,312
Printing postage & Stationery	51,823	61,742
Telephone & fax	14,469	11,569
Motor & travel	35,232	30,043
Legal & professional	3,042	763
Audit fee	11,750	11,669
Bank charges	4,236	5,294
Hire of equipment	6,273	3,372
Computer & internet	14,675	9,764
Cleaning	4,455	5,689
Sundries	2,632	1,002
Bad Debtors	18,300	-
Books & Journals	5,000	12,862
	<u>248,762</u>	<u>214,608</u>

7 Trustees Remuneration

Staff cost includes remuneration of £21,353 (2008 - £30,158) 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 Charity 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 2009

8 Employees

Number of employees

The average monthly number of employees during the year was

	2009 Number	2008 Number
Engaged on management and governance activities	3	3
Engaged on support activities	16	16
	<u>19</u>	<u>19</u>

Employment costs

	2009 £	2008 £
Wages and salaries	186,835	205,575
Social security costs	12,102	14,477
	<u>198,937</u>	<u>220,052</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 £
Cost					
At 1 January 2009	3,281,660	18,425	411,839	45,645	3,757,569
Additions	-	-	11,416	-	11,416
At 31 December 2009	<u>3,281,660</u>	<u>18,425</u>	<u>423,255</u>	<u>45,645</u>	<u>3,768,985</u>
Depreciation					
At 1 January 2009	-	5,112	281,543	32,185	318,840
Charge for the year	-	1,997	21,257	3,365	26,619
At 31 December 2009	<u>-</u>	<u>7,109</u>	<u>302,800</u>	<u>35,550</u>	<u>345,459</u>
Net book value					
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>
At 31 December 2008	<u>3,281,660</u>	<u>13,313</u>	<u>130,297</u>	<u>13,460</u>	<u>3,438,730</u>

ISLAMIC CENTRE OF ENGLAND LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

10 Debtors	2009 £	2008 £
Other debtors	-	18,300
Prepayments and accrued income	4,995	-
	<u>4,995</u>	<u>18,300</u>

11 Creditors amounts falling due within one year	2009 £	2008 £
Taxes and social security costs	10,472	7,359
Wages Control Account	28,927	33,240
Other creditors	7,556	3,738
	<u>46,955</u>	<u>44,337</u>

12 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 2009 £	Movement in funds		Balance at 31 December 2009 £
		Incoming resources £	Resources expended £	
Retained surplus for the financial year	-	727,866	(782,545)	(54,679)
Retained surplus at 1st January 2009	3,378,023	-	-	3,378,023
	<u>3,378,023</u>	<u>727,866</u>	<u>(782,545)</u>	<u>3,323,344</u>

ISLAMIC CENTRE OF ENGLAND LTD

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2009 are represented by			
Tangible fixed assets	100,182	3,323,344	3,423,526
Current assets	14,829	-	14,829
Creditors amounts falling due within one year	(46,955)	-	(46,955)
	<u>68,056</u>	<u>3,323,344</u>	<u>3,391,400</u>

14 Limited Guarantee

Islamic Centre of England Ltd is a company Limited by guarantee. Each member undertakes to contribute such amount as may be required (not exceeding £10) to the company's assets it should be wound up while he is a member or within one year after he ceased to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves.

The company has 3 members at 31st December 2009 (2008 - 3)

15 Going Concern

The ability of the organisation to raise sufficient donations and meet its daily outgoing is necessary for it to continue as a going concern.

However, the amount of donations which Islamic Centre of England Ltd is able to raise is uncertain as this is based on goodwill of donors.

Based on actual donations received since the balance sheet date and projected figures, the directors are of the opinion that Islamic Centre of England Ltd will be able to meet its daily outgoings in the foreseeable future.