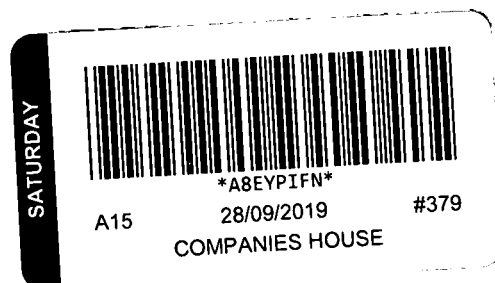


Islamic Centre of England Ltd
Company Limited by Guarantee
Financial Statements
31 December 2018

BHALLOO CONSULTING LIMITED
Chartered Accountants & Statutory Auditors
Chancery House, Second Floor
St. Nicholas Way
Sutton
Surrey
SM1 1JB



Islamic Centre of England Ltd
Company Limited by Guarantee
Financial Statements
Year ended 31 December 2018

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Islamic Centre of England Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2018

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2018.

Reference and administrative details

Registered charity name	Islamic Centre of England Ltd
Charity registration number	1058998
Company registration number	03142456
Principal office and registered office	Chancery House, Second Floor St. Nicholas Way Sutton Surrey SM1 1JB

The trustees

H M Moosavi	(Appointed 21 June 2019)
Z Tharoo	
M A Shomali	(Resigned 21 June 2019)
A A R Heshmati	

Company secretary	Z Tharoo
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Auditor	Bhalloo Consulting Limited Chartered Accountants & Statutory Auditors Chancery House, Second Floor St. Nicholas Way Sutton Surrey SM1 1JB
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Islamic Centre of England Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

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.

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 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.

Related parties

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

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 objectives of the charity. The trustees consider that the level of reserves as at 31 December 2018 of £4,162,691 is well in line with the ideal level of £3,250,000 that they deem appropriate for the charity.

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 trustees have identified that the main risk for the charity is that of financial sustainability. The trustees regularly review the availability of liquid funds, along with actively managing the charity's working capital to ensure this risk is minimised.

Non-financial risks arising from the welfare activities and religious activities the charity engages in have also been considered. These consist of health and safety risks, food hygiene risks, and fire risks that are related to the performance of the charity's activities.

These risks are managed by ensuring health and safety, fire, and food hygiene laws and regulations are followed, along with regular training for staff working in all of these operational areas.

Objectives and activities

Objectives and aims

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 activities. In planning the charity's activities and working towards achieving the charity's objectives, the trustees have considered the Charity Commission's guidance on public benefit.

Significant activities

The charity has one fund; an unrestricted fund. The unrestricted fund is used to manage day-to-day unrestricted costs, and for the purposes of meeting the objectives of Islamic Centre of England Ltd. During the year, the fund was utilised for the following activities:

- **Publicizing of Islam**

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

- **Cultural and religious support**

During the year, donations were made to various Islamic centres throughout the UK, namely in Glasgow, Cardiff, Birmingham, Manchester, and Newcastle.

- **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 affiliation with other Islamic communities. Counselling sessions were also available for those with marriage and family predicaments.

- **Other activities**

Other activities were organised and held by the charity during the year including trips such as Chessington Theme Park and Quran reading competitions.

Future developments

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.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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 Quran.

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

Furtherance in relation to the charity's objectives during the year includes expansion of services via internet television transmission to the 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

The Statement of Financial Activities shows how the charity's funds have been applied during the year. The gross receipts of the organisation were £777,303 (2017- £719,449) of which £103,491 (2017- £118,920) was raised internally from the sale of books and cassettes, 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 £673,775(2017- £600,528)

At 31 December 2018, the balance on the only fund, the unrestricted fund, was £4,162,691. 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.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 19 September 2019 and signed on behalf of the board of trustees by:

H M Moosavi
Trustee



Islamic Centre of England Ltd

Company Limited by Guarantee

Independent Auditor's Report to the Members of Islamic Centre of England Ltd

Year ended 31 December 2018

Opinion

We have audited the financial statements of Islamic Centre of England Ltd (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the 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 charity 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 charity'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 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 the 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and the trustees' report has been prepared in accordance with applicable legal requirements.

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 the 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; and

In light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charity 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
-

Islamic Centre of England Ltd

Company Limited by Guarantee

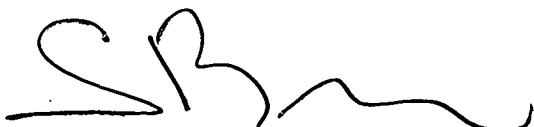
Independent Auditor's Report to the Members of Islamic Centre of England Ltd (*continued*)

Year ended 31 December 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



S Bremakumar (Senior Statutory Auditor)

For and on behalf of
Bhalloo Consulting Limited
Chartered Accountants & Statutory Auditors
Chancery House, Second Floor
St. Nicholas Way
Sutton
Surrey
SM1 1JB

19 September 2019

Islamic Centre of England Ltd

Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

Year ended 31 December 2018

		2018		2017
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Donations and legacies	5	673,775	673,775	600,528
Other trading activities	6	103,491	103,491	118,920
Investment income	7	37	37	1
Total income		<u>777,303</u>	<u>777,303</u>	<u>719,449</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	8	489,067	489,067	490,946
Expenditure on charitable activities	9,10	313,718	313,718	403,250
Total expenditure		<u>802,785</u>	<u>802,785</u>	<u>894,196</u>
Net expenditure and net movement in funds		<u>(25,482)</u>	<u>(25,482)</u>	<u>(174,747)</u>
Reconciliation of funds				
Total funds brought forward		4,188,173	4,188,173	4,362,920
Total funds carried forward		<u>4,162,691</u>	<u>4,162,691</u>	<u>4,188,173</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 20 form part of these financial statements.

Islamic Centre of England Ltd
Company Limited by Guarantee
Statement of Financial Position
31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible fixed assets	15	3,955,789	4,052,594
Current assets			
Cash at bank and in hand		214,671	145,125
Creditors: amounts falling due within one year	16	<u>7,769</u>	<u>9,546</u>
Net current assets		<u>206,902</u>	<u>135,579</u>
Total assets less current liabilities		<u>4,162,691</u>	<u>4,188,173</u>
Funds of the charity			
Unrestricted funds		<u>4,162,691</u>	<u>4,188,173</u>
Total charity funds	18	<u>4,162,691</u>	<u>4,188,173</u>

These financial statements were approved by the board of trustees and authorised for issue on 19 September 2019, and are signed on behalf of the board by:

H M Moosavi
Trustee



The notes on pages 13 to 20 form part of these financial statements.

Islamic Centre of England Ltd
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 December 2018

	2018	2017
	£	£
Cash flows from operating activities		
Net expenditure	(25,482)	(174,747)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	96,805	99,966
Other interest receivable and similar income	(37)	(1)
<i>Changes in:</i>		
Trade and other creditors	(1,777)	56
Cash generated from operations	69,509	(74,726)
Interest received	37	1
Net cash from/(used in) operating activities	<u>69,546</u>	<u>(74,725)</u>
Net increase/(decrease) in cash and cash equivalents	69,546	(74,725)
Cash and cash equivalents at beginning of year	<u>145,125</u>	<u>219,850</u>
Cash and cash equivalents at end of year	<u>214,671</u>	<u>145,125</u>

The notes on pages 13 to 20 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Chancery House, Second Floor, St. Nicholas Way, Sutton, Surrey, SM1 1JB.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Accounting policies (*continued*)

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

3. Accounting policies (*continued*)

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line (50-year useful life)
Plant and machinery	-	15% reducing balance
Fixtures, fittings and equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies (*continued*)

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Islamic Centre of England Limited 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 £5 per member of the charity.

Islamic Centre of England Ltd

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 December 2018

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations				
Donations and sales	<u>673,775</u>	<u>673,775</u>	<u>600,528</u>	<u>600,528</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Sales of books	14,438	14,438	11,502	11,502
Receipt from conduct of marriages and divorces	18,209	18,209	10,664	10,664
Other income	<u>70,844</u>	<u>70,844</u>	<u>96,754</u>	<u>96,754</u>
	<u>103,491</u>	<u>103,491</u>	<u>118,920</u>	<u>118,920</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	<u>37</u>	<u>37</u>	<u>1</u>	<u>1</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Costs of raising donations and legacies - Donations	<u>489,067</u>	<u>489,067</u>	<u>490,946</u>	<u>490,946</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donation to other	27,692	27,692	86,379	86,379
Religious activities	152,721	152,721	188,606	188,606
Welfare activities	8,151	8,151	6,266	6,266
Accommodation	5,620	5,620	5,608	5,608
Other direct activities	96,805	96,805	99,966	99,966
Support costs	<u>22,729</u>	<u>22,729</u>	<u>16,425</u>	<u>16,425</u>
	<u>313,718</u>	<u>313,718</u>	<u>403,250</u>	<u>403,250</u>

Islamic Centre of England Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2018	Total fund 2017
	£	£	£	£
Donation to other	27,692	–	27,692	86,379
Religious activities	152,721	–	152,721	188,606
Welfare activities	8,151	–	8,151	6,266
Accommodation	5,620	–	5,620	5,608
Other direct activities	96,805	–	96,805	99,966
Governance costs	–	22,729	22,729	16,425
	<u>290,989</u>	<u>22,729</u>	<u>313,718</u>	<u>403,250</u>

Governance costs consist of costs associated with the legal and regulatory running costs of the charity. They are made up of the following:

	2018 £	2017 £
Audit fees	6,000	6,000
Legal & other professional fees	16,729	10,425
	<u>22,729</u>	<u>16,425</u>

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible fixed assets	96,805	99,966
Foreign exchange differences	1,290	20,500
	<u>98,095</u>	<u>120,466</u>

12. Auditors remuneration

	2018 £	2017 £
Fees payable for the audit of the financial statements	<u>6,000</u>	<u>6,000</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018 £	2017 £
Wages and salaries	349,399	343,970
Social security costs	21,798	22,731
Employer contributions to pension plans	2,734	1,893
	<u>373,931</u>	<u>368,594</u>

The average head count of employees during the year was 22 (2017: 23). The average number of full-time equivalent employees during the year is analysed as follows:

	2018 No.	2017 No.
Management	3	3
Administration	19	20
	<u>22</u>	<u>23</u>

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

14. Trustee remuneration and expenses

One of the three trustees were paid remuneration from employment with the charity. M Shomali was remunerated for his work at the charity. The legal authority under which the payments were made was the governing document of the charity. No trustees' expenses were paid for during the year.

The amount of total trustees' remuneration for the year was £30,000. The amount of pension contributions paid on behalf of trustees was £72.

15. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2018 and 31 December 2018	<u>4,135,511</u>	<u>19,567</u>	<u>493,999</u>	<u>107,380</u>	<u>4,756,457</u>
Depreciation					
At 1 January 2018	165,420	15,783	432,471	90,189	703,863
Charge for the year	82,710	568	9,229	4,298	96,805
At 31 December 2018	<u>248,130</u>	<u>16,351</u>	<u>441,700</u>	<u>94,487</u>	<u>800,668</u>
Carrying amount					
At 31 December 2018	<u>3,887,381</u>	<u>3,216</u>	<u>52,299</u>	<u>12,893</u>	<u>3,955,789</u>
At 31 December 2017	<u>3,970,091</u>	<u>3,784</u>	<u>61,528</u>	<u>17,191</u>	<u>4,052,594</u>

Islamic Centre of England Ltd

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year ended 31 December 2018

16. Creditors: amounts falling due within one year

	2018	2017
	£	£
Social security and other taxes	5,531	6,555
Other creditors	<u>2,238</u>	<u>2,991</u>
	<u>7,769</u>	<u>9,546</u>

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,734 (2017: £1,893).

18. Analysis of charitable funds

Unrestricted funds

	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
General funds	<u>4,188,173</u>	<u>777,303</u>	<u>(802,785)</u>	<u>4,162,691</u>

	At 1 January 2017 £	Income £	Expenditure £	At 31 December 2017 £
General funds	<u>4,362,920</u>	<u>719,449</u>	<u>(894,196)</u>	<u>4,188,173</u>

19. Nature of funds

The charity has one fund; an unrestricted fund. It is used to manage day-to-day unrestricted costs. It is also used for the purposes of meeting the objectives of the charity. This includes being used for the following activities; propagation of Islam, educational support, and finally for social, religious and welfare activities.

20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2018	2017
	£	£
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>7,769</u>	<u>9,546</u>