

Charity Registration No. 1122086

Company Registration No. 06065201 (England and Wales)

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018
PAGES FOR FILING WITH REGISTRAR

THURSDAY



A73P2FU0

A16

12/04/2018

#78

COMPANIES HOUSE

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr Z A K Naik M A Abbasi
Charity number	1122086
Company number	06065201
Registered office	47 Calthorpe Road Birmingham B15 1TH
Auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor 9 Portland Street 2nd Floor Manchester M1 3BE

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

CONTENTS

	Page
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent auditor's report	4 - 5
Statement of financial activities	6
Balance sheet	7
Notes to the accounts	8 - 12

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JANUARY 2018

The trustees present their report and accounts for the year ended 31 January 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's deed of trust, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects are the advancement of the faith and religious practices of Islam, religious and general education for the public benefit, the relief of poverty, sickness, distress and suffering of any persons who are in need. The charity currently has no restricted funding sources.

The main objective of the charity is to raise funds for the proper presentation, understanding and appreciation of Islam, as well as removing misconception about Islam.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The trust's principal activity is that of securing donations for the continuation of Peace TV in furthering the objectives of IRFI. Appeals are made through broadcasts on the Peace TV network, these direct donors to the IRFI website which will allow donations via credit or debit card. To facilitate greater numbers of donations the charity operates a 24/7 call centre.

The charity uses targeted marketing campaigns in the period of Ramadan, which results in a significant influx during the period.

During the year, the charity continued to fund the sustenance of visual broadcasting of the Peace TV channels which are dedicated to the dissemination of researched and accurate information about the Islamic faith by academics, orators and other religious scholars.

No charitable grants were made during this or the preceding financial year.

Achievements and performance

Appeals are made through television broadcasts which direct people to the IRFI website where donations can be made by credit/debit cards or to a 24/7 call centre. Additional donations are received by way of monthly standing orders from regular donors, bank transfers or cheque payments following donation drives.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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.

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

Dr Z A K Naik

M A Abbasi

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JANUARY 2018

The power of appointing new Trustees and discharging existing Trustees shall be vested in Dr Zakir Abdul-Karim Naik, or his nominated successor.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The following were related parties of the trust for this and the prior period:

The Trustees (as listed above)

Universal Broadcasting Corporation Limited

Club TV Limited

Lord Production Limited

Auditor

AMS Accountants Corporate Limited were appointed auditors to the company, and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees 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 auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



M A Abbasi

Trustee

Dated: 23 March 2018

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JANUARY 2018

The trustees, who are also the directors of Islamic Research Foundation International for the purpose 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).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion

We have audited the accounts of Islamic Research Foundation International (the 'charity') for the year ended 31 January 2018 which comprise the Statement of Financial Activities, the Balance Sheet, and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 our audit:

- the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

INDEPENDENT AUDITOR'S REPORT TO ISLAMIC RESEARCH FOUNDATION INTERNATIONAL (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees' are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

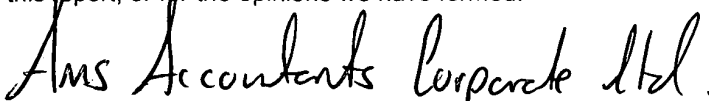
In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. 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.



David Clegg (Senior Statutory Auditor)

for and on behalf of AMS Accountants Corporate Limited

23 March 2018

Chartered Accountants
Statutory Auditor

9 Portland Street
2nd Floor
Manchester
M1 3BE

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 £
<u>Income from:</u>			
Donations and legacies	3	587,142	919,684
<u>Expenditure on:</u>			
Charitable activities	4	779,775	888,241
Governance costs	8	9,674	18,369
Total resources expended		789,449	906,610
Net (expenditure)/income for the year/ Net movement in funds		(202,307)	13,074
Fund balances at 1 February 2017		383,731	370,657
Fund balances at 31 January 2018		181,424	383,731

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

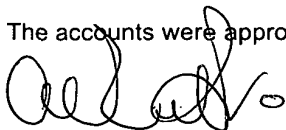
ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

BALANCE SHEET

AS AT 31 JANUARY 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	11	100,062		96,615	
Cash at bank and in hand		91,562		292,516	
		<u>191,624</u>		<u>389,131</u>	
Creditors: amounts falling due within one year	12	(10,200)		(5,400)	
Net current assets			<u>181,424</u>		<u>383,731</u>
Income funds					
Unrestricted funds					
Designated funds	13	<u>181,424</u>		<u>383,731</u>	
			<u>181,424</u>		<u>383,731</u>
			<u>181,424</u>		<u>383,731</u>

The accounts were approved by the Trustees on 23 March 2018



M A Abbasi
Trustee

Company Registration No. 06065201

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

1 Accounting policies

Charity information

Islamic Research Foundation International is a private company limited by guarantee incorporated in England and Wales. The registered office is 47 Calthorpe Road, Birmingham, B15 1TH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is accounted for on the 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued expenditure.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	587,142	919,684

4 Charitable activities

	2018	2017
	£	£
Grant funding of activities (see note 5)	779,775	888,241

5 Grants payable

	2018	2017
	£	£
Grants to institutions:		
Other	779,775	888,241

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

There were no employees during the year.

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

8 Governance costs

	2018	2017
	£	£
Other expenditure	9,674	18,369

9 Taxation

The charity is exempt from corporation tax on its charitable activities.

10 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	100,062	96,615
Carrying amount of financial liabilities		
Measured at amortised cost	10,200	5,400

11 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	100,062	96,615

12 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	10,200	5,400

ISLAMIC RESEARCH FOUNDATION INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2018

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 February 2017	Movement in funds		Balance at 31 January 2018
	£	Inflow £	Outflow £	£
General fund	280,711	99,400	(160,000)	220,111
United Islamic Aid	103,020	487,742	(629,449)	(38,687)
	<u>383,731</u>	<u>587,142</u>	<u>(789,449)</u>	<u>181,424</u>

14 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

By virtue of similar directorships and trustees Universal Broadcasting Corporation Limited is a related party of Islamic Research Foundation International. The following trustees are listed with companies house as also being directors of Universal Broadcasting Corporation Limited.

Dr Z A K Naik
Mr M A Abbasi

During the year, charitable donations of £779,775 (2017 - £888,241) were made to Universal Broadcasting Corporation Limited (UBCL); the company which holds the broadcasting licences for Peace TV.

Lord Production Ltd holds the licence to Peace TV English, a wholly owned subsidiary of UBCL.
Club TV Ltd holds the licence to Peace TV Urdu, a wholly owned subsidiary of UBCL.