

Registered Charity no- 1121050
Registered Company no- 6353941

ISLAMIC FORUM TRUST

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012



ABACUS PARTNERS (LDN) LLP
CHARTERED CERTIFIED ACCOUNTANTS &
REGISTERED AUDITORS
UNIT A, ABBOTTS WHARF
93 STAINSBY ROAD
LONDON E14 6JL

ISLAMIC FORUM TRUST

(A Company Limited by Guarantee)

Charity information

Directors/Trustees	Mr Dilowar Hussain Khan Mr Muhammad Habibur Rahman Mr Ayub Khan Mr Abunur Muslehuddin Faradhi	
Trustees	Mr Abdullah Folik Mr Junaid Ahmed Dr Mohammed Emranul Haque Mr Hafiz Abul Hussain Mr Mohammad N M Chowdhury Mr Hasan Sirajus Salekin Mr Nessar Ahmed	Appointed 01 11 2011 Appointed 01 11 2011 Appointed 01 11 2011 Appointed 01 11 2011 Appointed 01 11 2011 Appointed 01 11 2011
Company Secretary	Mr Dilowar Hussain Khan	
Company Reg No	6353941	
Charity Number	1121050	
Principal Office	London Muslim Centre 3rd Floor 38-44 Whitechapel Road London E1 1JX	
Independent Auditors	Abacus Partners (Ldn) LLP Chartered Certified Accountants & Registered Auditors Unit A, Abbots Wharf 93 Stainsby Road London E14 6JL	
Bank	Islamic Bank of Britain 97-99 Whitechapel Road London E1 1DL Barclays Bank Plc 240 Whitechapel Road London E1 1BS	
Solicitors	Davey Son & Jones 10/12 Dollar Street Gloucestershire GL7 2AL	

ISLAMIC FORUM TRUST

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

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ISLAMIC FORUM TRUST

(A company limited by guarantee)

Trustees'/Directors' Report for the Year ended 31 March 2012

The Trustees present their report and the financial statements for the year ended 31 March 2012

Governing Instrument

The company, number 06353941, is limited by guarantee. The charity registration number is **1121050**

The charity's objects and regulations are regulated by the Memorandum and Articles of Association incorporated on 28 August 2007

Governance and Principal Officers

The charity is organised with a Management Committee (Board of Trustees) elected by the members to oversee the overall activities and one of the committee member is nominated as chairperson, to monitor the day to day running of the charity

The following officers of the charity have held office for the whole/part of the period

Mr Dilowar Hussain Khan	Chairman
Dr M Emranul Haque	Secretary
Mr Nessar Ahmed	Treasurer

A full list of directors/trustees is on Charity Information page

The trustees are eligible, in committee, to appoint additional trustees under the terms of the Deed

Principal Objects of the Charity

- 1) To promote the religious education of Muslims and non-Muslims in the Islamic faith
- 2) To promote justice and equality amongst all Muslims and non-Muslims irrespective of race, culture and other differences
- 3) To relieve poverty and sickness of Muslims either in the UK or abroad

Activities and Achievements

In line with our objects and plans, IFT provided a wide range of educational programmes throughout its centres. These included weekly Islamic study circles, Bangla Language class, Arabic language and Quran classes for men, women and children. IFT also continues to run a number of weekend and evening schools in its centres.

Open days and Islamic cultural exhibitions continued to be held throughout IFT centres and other mosques. A series of training sessions for volunteers were held in different cities to help prepare them to organise open days and cultural exhibitions. A number of interfaith programmes also took place.

IFT continued to hold conferences and seminars with partner organisations to tackle a number of community issues such as community cohesion, justice and drugs & health related issues.

New policies in managing our IFT centres were agreed and adopted by the trustees to ensure the proper management, maintenance and upkeep of IFT centres.

ISLAMIC FORUM TRUST LTD

(A company limited by guarantee)

Trustees'/Directors' Report for the

Year ended 31 March 2012

Public Benefit

The core services of the organisation are accessed free of charge. The formal education classes for are heavily subsidised to the public. The Trustees regularly engage in direct feedback from stakeholders to ensure that it is responding to local needs in the most efficient and effective way.

All the IFT centres facilities are available for hire at competitive rates and provides significant discounts to charities and community initiatives, thus creating greater accessibility for all. The Trust makes provision for those with the greatest financial needs through its Zakat and Fitra funds.

The positioning of the organisations sets itself a great responsibility to respond to wider issues facing the community, and it provides leadership in addressing issues of community tensions such as Islam phobia, racism, community safety, education and unemployment.

Risk Management

The trustees identify risks associated with the activities of the organisation. The Trustees have reviewed the organisations position with respect to income, expenditure, gearing, staffing levels, etc and have appropriately mitigated to reduce any possible risks.

Review of Transactions and Financial Position

The charity's income was £262,482 in the year ended 31 March 2012 (2011 £503,526). The total expenditure amounted to £537,730 in the year ended 31 March 2012 (2011 £226,741). The fund balance carried forward at 31 March 2012 was £45 on restricted funds and £2,306,118 on unrestricted funds. The full Statements of Financial Activities is set out on page 6 of the Financial Statements.

Reserves Policy

The board of trustees consider that all bank loan and Qard-e-Hasana (private interest free loan) were taken against fixed assets and the fund as at balance sheet date was £2,365,078. On balance sheet date net current assets was negative £72,125 despite of trustees' reserve policy to maintain reserve level of 3 months operational expenditure (£55,242), which the charity adopted in its last reserve policy review. This was temporary because during the year the charity donated one of its buildings to a similar charity at £257,847 below its market price. Also the charity reduced its loan by £721,389. Trustees are considering this and taking measures to bring reserves to the required level. There are regular rental income and regular small donations from large number of volunteers throughout the UK and no such risk of shortfall of income which will hinder regular activities of the charity.

ISLAMIC FORUM TRUST LTD

(A company limited by guarantee)

Trustees'/Directors' Report for the Year ended 31 March 2012

Trustees' responsibilities

Company and charity 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 surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to -

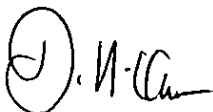
- 1 select suitable accounting policies and then apply them consistently
- 2 make judgments and estimates that are reasonable and prudent
- 3 prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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 and the Charities Act 1993. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

An independent audit was carried out by Abacus Partners (Ldn) LLP, Chartered Certified Accountants. The company elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary, Abacus Partners (Ldn) LLP will continue in office.

This report was approved by the trustees on 7 December 2012 and signed on its behalf



Mr Dilowar Hussain Khan
Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS/TRUSTEES OF
ISLAMIC FORUM TRUST**

(A Company Limited by Guarantee)

YEAR ENDED 31 MARCH 2012

We have audited the financial statements of Islamic Forum Trust for the year ended 31 March 2012, which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's directors/trustees as a body, in accordance with the Companies Act 2006 and SORP. Our audit work has been undertaken so that we might state to the company's directors/trustees 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 company and the company's directors/trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Directors/ Trustees and Auditors

The directors' responsibilities for preparing the directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of directors' Responsibilities.

We have been appointed as auditors under the Companies Act 2006 and the Charities Act 1993 and report in accordance with regulations made under 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, or if we have not received all the information and explanations we require for audit.

We are not required to consider whether the statement in the Directors' Report concerning the major risks to which the company is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the company's risk management and control procedures.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implication for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Opinion

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE DIRECTORS/TRUSTEES OF
ISLAMIC FORUM TRUST
(A Company Limited by Guarantee)**

Year ended 31 March 2012

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 financial statements are free from material misstatements, 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 financial statements.

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees/Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors 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 Trustees'/directors' report



N A Chowdhury FCCA (Senior Statutory Auditor)
for and on behalf of Abacus Partners (Ldn) LLP
Chartered Certified Accountants and
Registered Auditors
Unit A, Abbots Wharf
93 Stainsby Road
London E14 6JL

7 December 2012

ISLAMIC FORUM TRUST
(A Company Limited by Guarantee)
STATEMENTS OF FINANCIAL ACTIVITIES FOR THE
YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted £	Restricted £	Total 2012 £	Total 2011 £
INCOMING RESOURCES					
Rental Income		119,405		119,405	157,071
Donation received		142,027		142,027	324,541
Muslim Aid				-	9,500
HMRC Gift Aid				-	12,408
Others Income		1,050		1,050	6
		<u>262,482</u>	<u>-</u>	<u>262,482</u>	<u>503,526</u>
RESOURCES EXPENDED					
Direct Charitable expenditure	2	385,559	1,300	386,859	157,179
Management and Administration	3	60,945	450	61,395	67,567
Finance Charges		89,476	-	89,476	1,995
Total Resources Expended		<u>535,980</u>	<u>1,750</u>	<u>537,730</u>	<u>226,741</u>
TOTAL INCOME /DEFICIT FOR THE YEAR		- 273,498	- 1,750	- 275,248	276,785
Funds as at 1 April 2011		2,579,616	1,795	2,581,411	2,304,626
Funds as at 31 March 2012		<u>2,306,118</u>	<u>45</u>	<u>2,306,163</u>	<u>2,581,411</u>

The notes on pages 8 to 10 form part of these accounts

ISLAMIC FORUM TRUST

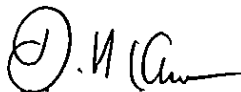
(A Company Limited by Guarantee)

BALANCE SHEET AS AT 31 MARCH 2012

	Notes	2012	Total	Total
		£	£	2011
				£
FIXED ASSETS				
Freehold Buildings			4,317,689	4,618,759
Long leasehold Buildings			31,849	31,849
Furniture, fixture and fittings			27,595	31,042
	4		4,377,133	4,681,650
CURRENT ASSETS				
Rent debtor		10,667		-
Other debtors	5	132,930		66,366
Cash at bank and in hand		98,986		868,951
		242,583		935,317
LESS: CURRENT LIABILITIES				
Other creditors	6	314,708		257,350
Net current assets			- 72,125	677,967
Total assets less current liabilities			4,305,008	5,359,617
LONG TERM LIABILITIES				
Private loan	7	597,656		699,769
Bank Loan	8	1,401,189	1,998,845	2,078,437
			2,306,163	2,581,411
FUNDS				
Restricted			45	1,795
Unrestricted			2,306,118	2,579,616
Total Fund			2,306,163	2,581,411

This accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (April 2008) relating to small Companies

Approved by the Board of Directors/Trustees on 7 December 2012 and signed on it's behalf by



Mr D H Khan
Chairman



Mr Nessar Ahmed
Treasurer

The notes on pages 8 to 10 form part of these accounts

ISLAMIC FORUM TRUST

(A Company Limited by Guarantee)

Notes to the accounts for the year ended 31 March 2012

1 ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with Companies Act, SORP and the Financial Reporting Standard for Smaller Entities

1.2 Tangible fixed assets and depreciation

Fixed assets are for use by the charity in fulfilling its main objects and are capitalised and depreciated. Depreciation provided on the reducing balance method as follows

Fixture, fittings and equipments 20% per annum on Reducing Balance

1.3 Donations receivable

Donations including the donations for the purchase of fixed assets are recognised in full in the accounts in the year in which they are received and all donations received are treated as unrestricted fund

2 Direct Charitable Expenditure	Unrestricted Funds	Restricted Funds	2012 Total	2011 Total
	£	£	£	£
Rent, Rates and Water	33,918		33,918	29,759
Wages & NIC	66,362		66,362	67,798
Telephone	1,754		1,754	4,987
Electricity & Gas	5,725		5,725	7,549
Property Insurance	6,782		6,782	8,411
Cleaning, Repairs and maintenance	8,240		8,240	10,830
Charitable Donations	Note 10 257,847		257,847	-
Oldham Fund raising & Conf Exp			-	13,795
Printing, postage and stationery			-	1,769
Legal & Professional Fees	3,009		3,009	1,510
Staff Training Expenses	1,192		1,192	142
Travelling and Subsistence			-	938
Casual Worker		1,300	1,300	9,078
Sundry Expenses	730		730	613
	385,559	1,300	386,859	157,179

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Notes to the accounts for the year ended 31 March 2012

3 Management And Administration	Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total
Rent and rates	11,306		11,306	9,919
Wages & NIC	30,211		30,211	27,316
Project & Strategy	1,170		1,170	11,615
Insurance	673		673	666
Telephone	585		585	1,662
Electricity & Gas	1,908		1,908	2,516
Printing, postage and stationery	292		292	590
Publicity and Advert	1,525	450	1,975	-
Bank and Credit Card Charges	1,576		1,576	723
Auditors' remuneration	4,800		4,800	4,800
Depreciation of fixture, fittings & equipments	6,899		6,899	7,760
	<u>60,945</u>	<u>450</u>	<u>61,395</u>	<u>67,567</u>

4 Tangible Fixed Assets

	Long lease Land & Buildings £	Freehold Land & Buildings £	Fixture & Fittings £	Total £
At Cost 1 April 2011	31,849	4,618,759	78,004	4,728,612
Additions		224,217	9,503	233,720
Disposal		525,287	14,774	540,061
	<u>31,849</u>	<u>4,317,689</u>	<u>72,733</u>	<u>4,422,271</u>
Depreciation b/fwd			46,962	46,962
Depreciation for the year			6,899	6,899
Depreciation on disposal			8,723	8,723
	<u>0</u>	<u>0</u>	<u>45,138</u>	<u>45,138</u>
Net book value at 31 03 2012	<u>31,849</u>	<u>4,317,689</u>	<u>27,595</u>	<u>4,377,133</u>
Net book value at 31 March 2011	<u>31,849</u>	<u>4,618,759</u>	<u>31,042</u>	<u>4,681,650</u>

5 Other Debtors

	2012 £	2011 £
Loan & other debtors	130,016	47,000
Prepayment	2,914	19,366
	<u>132,930</u>	<u>66,366</u>

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Notes to the accounts for the year ended 31 March 2012

6 Creditors Amount Falling Due Within One Year	2012	2011
	£	£
Rent Deposits and in advance	30,450	34,783
Accruals	8,400	9,785
IFE and Others	37,435	37,840
Paye Liabilities	3,350	-
Others	2,159	-
Bank and other Loan	232,914	174,942
	<u>314,708</u>	<u>257,350</u>

7. PRIVATE LOAN

Bank and other loan in note 6 includes Private Loan (called Quar e Hasana) received from its benefactors, known to the trustees and the charity is only under the moral obligation to repay on demand by lender but there is no interest to be paid nor any security/charge given

8 Creditors Amount Falling Due After More Than One Year	2012	2011
	£	£
Private Loan	597,656	699,769
Bank Loan	<u>1,401,189</u>	<u>2,078,437</u>
	<u>1,998,845</u>	<u>2,778,206</u>

9 Control.

The Executive committee of Islamic Forum Europe is the board of directors/trustees of Islamic Forum Trust

10 Charitable Donations

Direct Charitable expenditure includes one off donation of £257,847 to Luton Islamic Community Forum (LICF) Charity No 1126387 This was actually by way of disposition of a building at reduced price LICF provides similar charitable activities that of Islamic forum Turst

11 Related Party Transactions

As at 31 03 2012, the charity owed £37,435 to Islamic Forum of Europe

12. Trustees' Remuneration:

None of the Directors'/Trustees' were remunerated during the financial year