

Registered Charity number: 1124362

**ISLAMIC ACADEMY OF COVENTRY (IAC)**

**REPORT AND ACCOUNTS**

**31st DECEMBER 2020**

**ISLAMIC ACADEMY OF COVENTRY (IAC)**  
**FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 31st December 2020**

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**ISLAMIC ACADEMY OF COVENTRY (IAC)**

**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31st December 2020**

**TRUSTEES:** SULEMAN BHAYAT  
IMTIAZ VANIA  
ANWAR SHAIKH  
SIRAJ KHALIFA (Deceased 17th March 2021)

**ADDRESS:** 83-87 CAMBRIDGE STREET  
COVENTRY  
CV1 5HU

**BANKERS:** HSBC BANK PLC

**ISLAMIC ACADEMY OF COVENTRY (IAC)**  
**TRUSTEES ANNUAL REPORT**  
**FOR THE YEAR ENDED 31st December 2020**

The trustees present their 2020 annual report and account.

## **1. CONSTITUTION**

Islamic Academy of coventry (IAC) is constituted under a trust deed dated 1 January 2008.

The trust was registered as a charity on 6 June 2008 and it's registration number is 1124362

The Trustees that have served the charity during the period are set out above. The Trustees have legal responsibility for the operation of the Trust, and a management committee which includes the four trustees are responsible for the day to day affairs of the charity.

One member of the Trustees passed away on 17th March 2021. The current Board of Trustees will appoint a new Trustee as required by clause 12 of the Trust deed dated 1 January 2008.

## **2. OBJECTS**

The objects of the charity as set out in the constitution is as set out below:

- 2.1 To advance education generally and the education of Muslims, providing educational services on a full time or part time basis to people of all ages. Support and provide Muslims in the pursuit of traditional Islamic knowledge with recourse to classical sources.
- 2.2 The establishment maintaining and management of buildings in order to fulfill the objectives set out in this clause.
- 2.3 Any charitable purposes for general benefit of the people living in Coventry and the United Kingdoms the Trustees shall think fit.

## **3. ACTIVITIES AND FUTURE PLANS**

The trustees review the objectives and activities to ensure they continue to reflect our objects.

The trustees in the current year have considered the Charity Commission's general guidance on public benefit and are satisfied the charity continues to provide public benefit. The activities undertaken to achieve our objectives and provide public benefit are detailed as follows.

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**FOR THE YEAR ENDED 31st December 2020**

**3. ACTIVITIES (Cont)**

The Islamic Academy Of Coventry (IAC) was established as a resource for Islamic knowledge for all Muslims regardless of background, creed or culture. IAC intends to be a centre of learning in the heart of Coventry.

In order to fulfil its objectives, IAC offers the following education services:

- Fiqh (Islamic Jurisprudence)
- Seerah (Study of Prophets Life and works)
- Hifz (memorisation of the Holy quran)
- Tajweed (Intonation)
- Aalimyah (Islamic Theology)
- Arabic classes

These education services are delivered during the day and evening. The courses are available to adult male and female. There is also special provision for boys and girls from the age of 13 to 16.

IAC in the future intends to build on the strength of the education services and expand on publication services, spiritual, religious and moral development, religious services, youth development and islamic awareness.

IAC promotes and teaches consideration for others, compassion, tolerance and co-existence are all Islamic virtues. We advise people that they are duty bound to contribute to the common good, in a spirit of co-operation with their fellow human beings.

**4. FINANCIAL REVIEW AND RESERVES POLICY**

The trustees' reserves policy is to spend all unrestricted funds on charitable activities in any given year. The trustees review the financial health of the charity on a regular basis and ensures a small surplus is made to cover any unforeseen costs. The overall fixed costs of the charity is minimal, therefore, the trustees believe a small surplus in any given year is sufficient for the charity for it's overall financial stability.

The principal income sources were from donations collected and nominal fees from students.

The net incoming resources for the year amounted to £23,589 and net fund at 31 December 2020 was £228,525.

**5. RISK MANAGEMENT**

The Trust is responsible for the overseeing of the risks faced by the charity. Detailed considerations of risk are delegated to the trustees of the charity. Risks are identified, assessed and controls established throughout the year.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed but is reasonable in relation to the current size of the charity.

Appropriate Criminal Records Bureau (CRB) checks, supported by regular reviews are made of all staff and volunteers who work with children. Also the trustees keep under the review the finances of the charity.

**6. FIXED ASSET**

The trust purchased the freehold property at 83-87 Cambridge Street. The property is vested the name of the four trustees.

All of the charity's activities are conducted at these premises.

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**FOR THE YEAR ENDED 31st December 2020**

**7. STATEMENT OF TRUSTEES' RESPONSIBILITIES**

Charity law require the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for the period. In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The trustees are responsible for keeping proper accounting records and disclose with reasonable accuracy at any time financial position of the charity and to enable then to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

..... (Trustee)

## **INDEPENDENT EXAMINERS REPORT TO THE ISLAMIC ACADEMY OF COVENTRY (IAC)**

I report on the accounts of the Charity on pages 6 to 9 for the year ended 31 December 2018 which have been prepared in accordance with the Charities Act 2011 and with the Financial Reporting Standard (FRS102), adapted to meet the needs of unincorporated organisations, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, (The SORP), under the historical cost convention and the accounting policies set out on page 8.

### **Respective Responsibilities of Trustees and Examiner**

As described on page 4, the Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under s144 (2) of the Charities Act 2011 and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- a) examine the accounts under section 145 of the 2011 Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and;
- c) to state whether particular matters have come to my attention.

### **Basis of independent examiner's report.**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act, and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Saleh Chowdhury (FCCA)

**ISLAMIC ACADEMY OF COVENTRY (IAC)**

**Statement of Financial Activities for the Year to 31st December 2020**

	Note	Unrestricted funds £	Restricted income funds £	2020 £	2019 £
<b>Incoming resources</b>					
Income resources from charitable activities	2	3,830	-	3,830	3,875
Income resources from generating funds	3	27,704	-	27,704	8,410
		<hr/>		<hr/>	<hr/>
		31,534	-	31,534	12,285
<b>Resources expended</b>					
Charitable activities	4	(7,945)	-	(7,945)	(8,496)
		<hr/>		<hr/>	<hr/>
		(7,945)	-	(7,945)	(8,496)
<b>Net incoming/(outgoing) resources before transfers</b>					
		23,589	-	23,589	3,789
<b>Total funds brought forward</b>		190,114	-	204,936	201,147
		<hr/>		<hr/>	<hr/>
<b>Total funds carried forward</b>		213,703	-	228,525	204,936
		<hr/> <hr/>		<hr/> <hr/>	<hr/> <hr/>



**ISLAMIC ACADEMY OF COVENTRY (IAC)**

**Balance Sheet As At 31st December 2019**

	Note	£	<u>2020</u> £	£	<u>2019</u> £
<b><u>Fixed Assets</u></b>					
Freehold Property	5		161,503		161,503
Building Improvements	5		<u>0</u>		<u>1,210</u>
			161,503		162,713
<b><u>Current Assets</u></b>					
HSBC Bank Plc		65,526		40,727	
Cash		<u>2,098</u>		<u>2,098</u>	
		67,624		42,825	
<b><u>Current Liabilities</u></b>					
Accruals		<u>602</u>		<u>602</u>	
		602		602	
			67,022		42,223
<b><u>Net Assets</u></b>					
			<u>228,525</u>		<u>204,936</u>
<b><u>Represented By:</u></b>					
Unrestricted Income Funds			228,525		204,936
			<u>228,525</u>		<u>204,936</u>

## ISLAMIC ACADEMY OF COVENTRY (IAC)

### Notes to the Accounts for the Year to 31st December 2019

#### **1 ACCOUNTING POLICIES**

##### **a) Basis of Accounting**

The financial statements are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Charities Act 2011. Exemption has been taken from preparing a cash flow statement under 'Section 7 Statement of Cash Flows' as permitted by FRS 102 on the grounds that the charity qualifies as a small entity.

##### **b) Income**

Donations collected are included in the Statement of Financial Activities (SOFA) as soon as they are received.

##### **c) Expenditure**

All expenditure, other than that which has been capitalised, is included in the SOFA. The value of purchase invoices received before the year end but not paid until after the year end has also been included in the accounts.

Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

##### **d) Fixed Asset & Depreciation**

Tangible fixed assets are stated at cost.

Buildings Improvements - Straight line 25%

#### **2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds</b>	<b>Restricted income funds</b>	<b>2020</b>	<b>2019</b>
Student Fees	<u>3,830</u>	<u>-</u>	<u>3,830</u>	<u>3,875</u>

#### **3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS**

	<b>Unrestricted funds</b>	<b>Restricted income funds</b>	<b>2020</b>	<b>2019</b>
General public donations	<u>27,704</u>	<u>-</u>	<u>27,704</u>	<u>8,410</u>

#### **4 COSTS OF CHARITABLE ACTIVITIES**

	<b>Unrestricted funds</b>	<b>Restricted income funds</b>	<b>2020</b>	<b>2019</b>
Energy	1,404	-	1,404	1,454
Rates	1,034	-	1,034	1,151
Printing, Stationery & Publications	3,581	-	3,581	4,140
Other	716	-	716	0
Depreciation	1,210	-	1,210	1,751
	<u>7,945</u>	<u>-</u>	<u>7,945</u>	<u>8,495</u>

## ISLAMIC ACADEMY OF COVENTRY (IAC)

### Notes to the Accounts for the Year to 31st December 2020

#### 5 FIXED ASSETS

	<b>Freehold Property £</b>	<b>Building Improvements £</b>
<b>Cost</b>		
1st January 2018	161,503	7005
Additions	<u>0</u>	<u>0</u>
	<u>161,503</u>	<u>7005</u>
<b>Depreciation</b>		
1st January 2018	0	5795
Charge For Year	<u>0</u>	<u>1210</u>
	<u>0</u>	<u>7005</u>
Net Book Value at 31st December 2019	<u>161,503</u>	<u>1210</u>
Net Book Value at 31st December 2020	<u>161,503</u>	<u>0</u>

#### 6 UNRESTRICTED FUNDS

	<b>Balance at 1 January 2019</b>	<b>Incoming Resources</b>	<b>Outgoing Resources</b>	<b>Balance at 31 December 2020</b>
General funds	<u>204,936</u>	<u>31,534</u>	<u>(7,945)</u>	<u>228,525</u>