

ISLAMIC BROTHERHOOD

THE MOSQUE EAGLE STREET COVENTRY CV1 4GP

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

KAISER NOUMAN NATHAN LLP

REGENT HOUSE 188-192 GOOCH STREET BIRMINGHAM B5 7HY

ISLAMIC BROTHERHOODMASJID

YEAR ENDED 31 DECEMBER 2018

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ISLAMIC BROTHERHOOD

YEAR ENDED 31 DECEMBER 2018

ASSOCIATION INFORMATION

CHARITY REGISTRATION NUMBER 1172391

CHAIRMAN MR M ARIF

VICE CHAIRMAN MR AMIR AFZAL

TREASURER MR SHABBIR AHMED

SECRETARY MR MOHAMMAD MANSAB DAR

ADDRESS THE MOSQUE
EAGLE STREET
COVENTRY
CV1 4GP

INDEPENDENT EXAMINERS KAISER NOUMAN NATHAN LLP
ACCOUNTANTS REGENT HOUSE
188-192 GOOCH STREET
BIRMINGHAM
B5 7HY

BANKERS BARCLAYS BANK PLC
COVENTRY BRANCH
FOLESHILL
COVENTRY

ISLAMIC BROTHERHOOD

REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee presents their report with the Financial Statements of the Charity for the year ended 31 December 2018.

The principal object of the Charity is to promote Islamic Education to children of the community.

STATUS

Islamic Brother Hood is registered with the Charity Commission (No. 1172391) and consisted by Deed of Trust.

RESERVE POLICY

Cash reserves at the end of the year are generally carried forward to the following year to meet construction and other emergency costs.

Most of the financing requirements necessary for the projects came from the community in the form of donations.

RESTRICTED FUNDS

As indicated in the statement of financial activities for the year £305,000 of the unrestricted funds of the previous year was re-classified as Restricted Funds.

These were funds raised for specific building project by Islamic Brotherhood on behalf of the Edgwick family and Education Centre Limited (EFFC) a completely new unrelated establishment formed for this purpose; as they cannot fund the project on their own without financial assistance from Islamic Brotherhood which is a more established entity.

This project will provide further benefit to the public as a meeting place in promoting Islamic Education to children of the community.

On completion of the building project and under the terms of the agreement between these parties, the property will at some point be transferred to Islamic Brotherhood which will then become the beneficiary owner of the property.

The cost of £305,000 therefore spent so far, has been included among the debtors figure in the Balance Sheet.

BY ORDER OF CHARITY TRUSTS

MR M ARIF
Chairperson

18 February 2019

INDEPENDENT EXAMINERS REPORT
TO THE MANAGEMENT COMMITTEE OF
ISLAMIC BROTHERHOOD

I report on the accounts of the charity for the year ended 31 December 2018 which are set out on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND EXAMINER

The charity's Management Committee are responsible for the preparation of the accounts. The charity's Management Committee consider that audit is not required for this year under Section 144(2) of the Charities Act 2011 (The 2011 Act) and that an Independent Examiner is needed.

It is our responsibility to:

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

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

Our 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 Officers 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 our examination, no matter has come to my attention:

- 1 which gives us 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 Act.

Have not been met; or

- 2 to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Kaiser Nouman Nathan LLP
Regent House
188-192 Gooch Street
Birmingham
B5 7HY

18 February 2019

ISLAMIC BROTHERHOOD

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2018

	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2018</u> <u>Total</u>	<u>2017</u> <u>£</u>
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Donations and Legacies	7	123,204	-	123,204	147,643
Investment Income	6	6,500	-	6,500	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOMING RESOURCES		129,704	-	129,704	147,643
		<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES EXPENDED					
Charitable Activities	4	63,055	-	63,055	69,704
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL RESOURCES EXPENDED		63,055	-	63,055	69,704
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOMING / EXPENDITURE RESOURCES (EXPENDED)		66,649	-	66,649	77,939
FUNDS BALANCES B/F 31.12.17		1,510,484	-	1,510,484	1,432,545
TRANSFER		(305,000)	305,000		
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS BALANCES C/F 31.12.18		1,272,133	305,000	1,577,133	1,510,484
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ISLAMIC BROTHERHOOD
BALANCE SHEET AS AT 31 DECEMBER 2018

	<u>Notes</u>	<u>£</u>	<u>2018</u> <u>£</u>	<u>£</u>	<u>2017</u> <u>£</u>
FIXED ASSETS					
Tangible Assets	2		871,756		877,129
CURRENT ASSETS					
Cash in Hand & at Bank - Current A/c		399,118		382,071	
Debtors and Prepayment		307,379		252,384	
		<u>706,497</u>		<u>634,,455</u>	
CREDITORS: Due within one year					
Creditors and Accruals	5	1,120		<u>1,100</u>	
NET CURRENT (LIABILITIES) / ASSETS			705,377		633,355
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,577,133</u>		<u>1,510,484</u>
FUNDS					
Unrestricted			1,272,133		1,510,484
Restricted			305,000		
			<u>1,577,133</u>		<u>1,510484</u>

Approved on behalf of the management committee

MR M ARIF
Chairperson

18 February 2019

ISLAMIC BROTHERHOOD
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2018

1) ACCOUNTING POLICIES

(a) Convention

The accounts have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards and the statement of Recommended Practice on Accounting by Charities (Charities SORP (FRS 102)).

(b) Depreciation

Depreciation is provided on tangible fixed assets in order to write off those assets over their anticipated useful lives. The bases and rates used are as follows:

Freehold Property	-	2% per annum on cost
Fixtures, Fittings and Equipment	-	15% per annum on net book value

(c) Income

Income is included in the income and expenditure account as soon as its receipt becomes due.

2. TANGIBLE ASSETS

	<u>Freehold Properties</u>	<u>Fixtures Fittings and Equipment</u>	<u>Total</u>
COST	<u>£</u>	<u>£</u>	<u>£</u>
The Eagle Street Mosque Costs	284,477		284,477
1 Eagle Street Costs	76,499		76,499
Addition – 68 George St, Coventry	131,163		131,163
Improvements Costs b/f	386,120	41,230	427,350
Additions during the year	14,956		14,956
At 31 December 2018	<u>893,215</u>	<u>41,230</u>	<u>934,445</u>
DEPRECIATION			
At 31 December 2017	17,565	21,895	42,360
Charge for the year	27,864	2,465	20,329
At 31 December 2018	<u>35,429</u>	<u>27,260</u>	<u>62,689</u>
NET BOOK VALUE			
At 31 December 2018	<u>857,786</u>	<u>13,970</u>	<u>871,756</u>
At 31 December 2017	<u>860,694</u>	<u>16,435</u>	<u>877,129</u>

3. FREEHOLD PROPERTY

In the opinion of Trustees the present day value of the freehold properties is well in excess of written down book value of £857,786 included in Balance Sheet.

ISLAMIC BROTHERHOOD
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2018

4. GOVERNANCE COSTS	<u>Unrestricted</u>	<u>Restricted</u>	<u>2018</u> <u>Total</u>	<u>2017</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Wages and NI	20,275	-	20,275	23,162
Water Rates and Insurance	5,355	-	5,355	5,175
Light and Heat	9,296	-	9,296	8,967
Telephone and Postage	653	-	653	710
Printing Stationary and Advertising	1,359	-	1,359	2,048
Repairs and Renewals	1,994	-	1,994	4,473
Accountancy and Book Keeping	1,160	-	1,160	1,185
Professional Fees	552	-	552	1,919
Laundry and Cleaning and Disposal	2,052	-	2,052	1,255
Sundry Expenses	30	-	30	345
Depreciation	20,329	-	20,329	20,465
	<u>63,055</u>	<u>-</u>	<u>63,055</u>	<u>69,704</u>

5. CREDITORS AND ACCRUALS	<u>Unrestricted</u>	<u>Restricted</u>	<u>2018</u> <u>Total</u>	<u>2017</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Accountancy and Book Keeping	875	-	875	870
Light and Heat	245	-	245	230
	<u>1,120</u>	<u>-</u>	<u>1,120</u>	<u>1,100</u>

6. Other Income and Resources refers to income from renting out 68 George Street, Coventry.

7. DONATIONS AND LEGACIES refers to contribution received by members of the Mosque.

8. DEBTORS AND PREPAYMENTS

This includes £305,000 for the funding of a special building project by Islamic Brotherhood on behalf of The Edgwick Family and Education Centre Limited (EFEC) – a completely unrelated new establishment formed for this purpose.

According to the written terms of the agreement, the property, on completion, will at some point, be transferred to Islamic Brotherhood, which will then become the beneficial owner of the property.

It has been agreed by all parties that this specific funding is classed as A Restricted Fund.

ISLAMIC BROTHERHOOD

MANAGEMENT COMMITTEE AND INDEPENDENT EXAMINERS

RESPONSIBILITY FOR THE ACCOUNTS

1. MANAGEMENT COMMITTEE'S RESPONSIBILITIES

The management committee is required to prepare the financial statements for each period which give a true and fair view of the statements of affairs of the projects as at the end of the accounting year and of the incoming resources and application of resources for the year. In preparing the accounts suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made. Applicable accounting standards have been followed. The accounts have been prepared on the going concern basis. The management committee is also responsible for ensuring that proper accounting records are kept and sufficient internal controls maintained to safeguard the assets of the projects and detect fraud or any other irregularities.

2. INDEPENDENT EXAMINER'S RESPONSIBILITIES

The examiner is required to carry out procedures specified within the general directions given by the Charity Commissions.

The Independent Examiner will also report to the members if the following requirements are not met:-

- The committee has not maintained accounting records of accounts according to the Act.
- The accounts are not in agreement with the accounting records and do not comply with the accounting requirements of the Act.