

Call To Islam Education Centre
Unaudited Financial Statements
5 April 2021

Call To Islam Education Centre

Financial Statements

Year ended 5 April 2021

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Call To Islam Education Centre

Trustees' Annual Report

Year ended 5 April 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 5 April 2021.

Reference and administrative details

Registered charity name Call To Islam Education Centre

Charity registration number 1042630

Principal office 116 Bury Park Road
Luton
Bedfordshire
LU3 1RJ

The trustees

Dr Farasat Latif
Mr Bassam Ali Khalil Abu Haj
Mr Mohammad Sayeid Al-Jamee

Independent examiner Durrani & Co
72 Cardigan Street
Luton
Bedfordshire
LU1 1RR

Structure, governance and management

The constitution provides for a minimum of four trustees. Where there is a requirement for new trustees, these would be identified and appointed by the remaining trustees, subject to the approval by AGM. The chair of the trustees is responsible for the induction of any new trustee which involves awareness of a trustee's responsibility, the governing document, administrative procedures, the history and philosophical approach of the charity. The trustees have taken steps to identify major risks to which the charity is exposed and systems have been established to mitigate those risks.

Objectives and activities

On constitution, the Charity's objective was to educate members and non-members of the Islamic faith to bring about the cohesion and togetherness of the local Luton community. The charity began with an initial donation. Both the initial donation and subsequent donations since have been under the terms which allow the trustees to either retain the amounts as capital or to spend them.

The objectives of the charity include;

- a) The advancement of education in Islamic culture, art and history
- b) The advancement of the Islamic faith
- c) The relief of need hardship or distress amongst women by the provision of a resource centre.

Provision of a mosque, which is accessible for the five daily prayers, 365 days per year, for men and women. Delivery of Friday sermon in English. Three classes per week, available free of charge, on various aspects of the Muslims religion. Annual conference - with international scholars in attendance. Free literature distributed to non-Muslims about Islam.

Call To Islam Education Centre

Trustees' Annual Report *(continued)*

Year ended 5 April 2021

Achievements and performance

Regular classes and seminars continued throughout the year that were attended by both men and women. We have continued to work closely with local mosques, the local council and the police to ensure community cohesion.

Financial review

The net incoming resources for the year was a gain of £4,094. At the end of the financial year the reserves were £428,727 of unrestricted funds and £2,961 of restricted funds.

The adequacy of the reserves policy is reviewed annually. The trustees are satisfied that reserves are presently more than adequate to meet future expenditure.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the charity, the results of these operations or the state of affairs of the charity in the financial year subsequent to the financial year ended 5th April 2021.

Plans for future periods

The trustees intend to continue to provide relief in a similar capacity as before.

The trustees' annual report was approved on 4 February 2022 and signed on behalf of the board of trustees by:

Dr Farasat Latif
Trustee

Call To Islam Education Centre

Independent Examiner's Report to the Trustees of Call To Islam Education Centre

Year ended 5 April 2021

I report to the trustees on my examination of the financial statements of Call To Islam Education Centre ('the charity') for the year ended 5 April 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Durrani & Co
Independent Examiner

72 Cardigan Street
Luton
Bedfordshire
LU1 1RR

Call To Islam Education Centre

Statement of Financial Activities

Year ended 5 April 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	139,915	13,713	153,628	205,470
Charitable activities	5	—	—	—	135
Investment income	6	3,690	—	3,690	3,000
Total income		<u>143,605</u>	<u>13,713</u>	<u>157,318</u>	<u>208,605</u>
Expenditure					
Expenditure on charitable activities	7,8	142,471	10,752	153,224	144,574
Total expenditure		<u>142,471</u>	<u>10,752</u>	<u>153,224</u>	<u>144,574</u>
Net income and net movement in funds		<u>1,134</u>	<u>2,961</u>	<u>4,094</u>	<u>64,031</u>
Reconciliation of funds					
Total funds brought forward		427,593	—	427,593	363,562
Total funds carried forward		<u>428,727</u>	<u>2,961</u>	<u>431,688</u>	<u>427,592</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 6 to 12 form part of these financial statements.

Call To Islam Education Centre

Statement of Financial Position

5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	13	213,075	218,495
Current assets			
Debtors	14	8,287	8,746
Cash at bank and in hand		211,512	201,247
		219,799	209,993
Creditors: amounts falling due within one year	15	1,187	895
Net current assets		218,612	209,098
Total assets less current liabilities		431,687	427,593
Net assets		431,687	427,593
Funds of the charity			
Restricted funds		2,961	–
Unrestricted funds		428,727	427,592
Total charity funds	16	431,688	427,592

These financial statements were approved by the board of trustees and authorised for issue on 4 February 2022, and are signed on behalf of the board by:

Dr Farasat Latif
Trustee

The notes on pages 6 to 12 form part of these financial statements.

Call To Islam Education Centre

Notes to the Financial Statements

Year ended 5 April 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 116 Bury Park Road, Luton, Bedfordshire, LU3 1RJ.

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 Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

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.

Call To Islam Education Centre

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

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. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Call To Islam Education Centre

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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:

Fixtures and fittings - 20% 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.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations type 1	72,245	13,713	85,958
Grants			
Grants receivable type 1	67,670	—	67,670
	<u>139,915</u>	<u>13,713</u>	<u>153,628</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations type 1	205,470	—	205,470

Call To Islam Education Centre

Notes to the Financial Statements (continued)

Year ended 5 April 2021

4. Donations and legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
Grants receivable type 1	—	—	—
	<u>205,470</u>	<u>—</u>	<u>205,470</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Refunds	—	—	135	135
	<u>—</u>	<u>—</u>	<u>135</u>	<u>135</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from investment properties	3,690	3,690	3,000	3,000
	<u>3,690</u>	<u>3,690</u>	<u>3,000</u>	<u>3,000</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Activity type 1	16,973	6,550	23,523
Support costs	125,498	4,202	129,701
	<u>142,471</u>	<u>10,752</u>	<u>153,224</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Activity type 1	47,163	—	47,163
Support costs	97,412	—	97,411
	<u>144,575</u>	<u>—</u>	<u>144,574</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Activity type 1	23,523	—	23,523	47,163
Governance costs	—	129,701	129,701	97,411
	<u>23,523</u>	<u>129,701</u>	<u>153,224</u>	<u>144,574</u>

Call To Islam Education Centre

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

9. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>5,420</u>	<u>6,776</u>

10. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,095</u>	<u>895</u>

11. Staff costs

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

	2021	2020
	£	£
Wages and salaries	<u>77,687</u>	<u>66,715</u>

The average head count of employees during the year was 8 (2020: Nil).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

12. Trustee remuneration and expenses

no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

no trustee expenses have been incurred.

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 6 April 2020 and 5 April 2021	<u>191,392</u>	<u>34,593</u>	<u>225,985</u>
Depreciation			
At 6 April 2020	–	7,490	7,490
Charge for the year	–	<u>5,420</u>	<u>5,420</u>
At 5 April 2021	<u>–</u>	<u>12,910</u>	<u>12,910</u>
Carrying amount			
At 5 April 2021	<u>191,392</u>	<u>21,683</u>	<u>213,075</u>
At 5 April 2020	<u>191,392</u>	<u>27,103</u>	<u>218,495</u>

Call To Islam Education Centre

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

14. Debtors

	2021 £	2020 £
Prepayments and accrued income	—	2,279
Other debtors	8,287	6,467
	<u>8,287</u>	<u>8,746</u>

15. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	92	—
Other creditors	1,095	895
	<u>1,187</u>	<u>895</u>

16. Analysis of charitable funds

Unrestricted funds

	At 6 April 2020 £	Income £	Expenditure £	At 5 April 2021 £
General funds	427,593	143,605	(142,471)	428,727

	At 6 April 2019 £	Income £	Expenditure £	At 5 April 2020 £
General funds	363,562	208,605	(144,575)	427,592

Restricted funds

	At 6 April 2020 £	Income £	Expenditure £	At 5 April 2021 £
Restricted Fund 1 - desc in a/cs	—	13,713	(10,752)	2,961

	At 6 April 2019 £	Income £	Expenditure £	At 5 April 2020 £
Restricted Fund 1 - desc in a/cs	—	—	—	—

Call To Islam Education Centre

Notes to the Financial Statements *(continued)*

Year ended 5 April 2021

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	213,074	213,074
Current assets	219,799	219,799
Creditors less than 1 year	(1,187)	(1,187)
Net assets	<u>431,686</u>	<u>431,686</u>

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	218,495	218,495
Current assets	209,993	209,993
Creditors less than 1 year	(895)	(895)
Net assets	<u>427,593</u>	<u>427,593</u>

18. Related parties

There were no related party transactions during the period.

Call To Islam Education Centre

Management Information

Year ended 5 April 2021

The following pages do not form part of the financial statements.

Call To Islam Education Centre

Detailed Statement of Financial Activities

Year ended 5 April 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations type 1	85,958	205,470
Grants receivable type 1	67,670	—
	<u>153,628</u>	<u>205,470</u>
Charitable activities		
Refunds	—	135
	<u>—</u>	<u>135</u>
Investment income		
Income from investment properties	3,690	3,000
	<u>3,690</u>	<u>3,000</u>
Total income	<u>157,318</u>	<u>208,605</u>
Expenditure		
Expenditure on charitable activities		
Purchases	23,523	47,163
Wages and salaries	77,687	66,715
Rent	4,923	4,336
Repairs and maintenance	20,186	2,309
Insurance	4,238	3,605
Legal and professional fees	6,436	895
Telephone	1,942	1,827
Depreciation	5,421	6,776
Other interest payable and similar charges	—	41
Governance costs - printing, postage and stationery	1,520	1,645
Governance costs - utilities	6,574	8,668
Governance costs - bookkeeping and secretarial	774	594
	<u>153,224</u>	<u>144,574</u>
Total expenditure	<u>153,224</u>	<u>144,574</u>
Net income	<u>4,094</u>	<u>64,031</u>

Call To Islam Education Centre

Notes to the Detailed Statement of Financial Activities

Year ended 5 April 2021

	2021 £	2020 £
Expenditure on charitable activities		
Activity type 1		
<i>Activities undertaken directly</i>		
Costs of generating voluntary income	23,523	47,163
Governance costs		
Governance costs - wages/salaries	77,687	66,715
Governance costs - rent and rates	4,923	4,336
Governance costs - repairs & maintenance	20,186	2,309
Governance costs - insurance	4,238	3,605
Governance costs - accountancy fees	1,095	895
Governance costs - legal and other professional fees	5,106	–
Governance costs - financial advice	235	–
Governance costs - telephone and computer	1,942	1,827
Governance costs - depreciation	5,421	6,776
Governance costs - other finance costs	–	41
Governance costs - printing, postage and stationery	1,520	1,645
Governance costs - utilities	6,574	8,668
Governance costs - bookkeeping and secretarial	774	594
	<u>129,701</u>	<u>97,411</u>
Expenditure on charitable activities	<u>153,224</u>	<u>144,574</u>