

# The Association of Islamic Charitable Projects

A Beacon of Light in a Time of Prevailing Darkness  
The Resounding Voice of Moderation

(AICP UK)



**Annual Report and Financial Statements**

**For the 12 Months Ended 31 March 2021**

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## TRUSTEES & OFFICERS

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Dr Ashraf Malhas  
Hadi Fayed  
Shahid Rauf  
Bilal El-Fares

### Chairperson

Dr Ashraf Malhas

### REGISTERED CHARITY NO:

1045220

### CORRESPONDENCE ADDRESS

42 Yardley Green Rd  
Bordesley Green  
Birmingham  
B9 5QF

23 Thurnview Rd  
Evington  
Leicester  
LE5 6HL

AICP Centre  
Francis Street  
Halifax  
HX1 5JY

26 Wadsworth Road  
Perivale  
Middlesex  
UB6 7JZ

### BANKS

HSBC plc  
Granby Street  
Leicester  
LE1 6EP

Natwest plc  
315 Station Road  
Harrow, Middlesex  
HA0 3LF

### Objectives

(1) TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE ISLAMIC RELIGION AND CULTURE AND THE ARABIC LANGUAGE. (2) TO ADVANCE THE RELIGION OF ISLAM. (3) TO RELIEVE MUSLIMS WHO ARE IN CONDITIONS OF POVERTY, SICKNESS, DISTRESS OR SUFFERING FROM DISABILITY. (4) TO TAKE CARE OF THE NEGLECTED YOUNG AND THE ELDERLY

### Public benefit

Our objectives are set to reflect our faith and community aims. Each year the trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have complied with their duties as detailed in the Charities Act 2011 section 17(5) by reviewing the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Our aims remain to educate the Muslim and non-Muslim public in the religion of Islam and the culture and morals of the Muslims according to traditional Sunni teachings. To establish educational programmes that protect our communities from religious extremism and radicalisation and carry out activities to help make our areas we work in peaceful, vibrant and harmonious communities.

### Charity Structure and Legal Status

The AICP was registered with the Charity Commission on 17 February 1994. The AICP's objectives and powers are set out in its Constitution.

Regional heads are in charge of activities in furtherance of the charities objectives. All expenditure and activities must be agreed with the Chairman and, if required, approved within committee meetings.

### Charitable Activities

AICP is part of a global movement working towards a just and harmonious society. We have two principal aims: first to educate people of all backgrounds about Islamic culture and morals, and second to warn against violent extremists who contradict these teachings. In our activities throughout the UK, we work towards establishing a Muslim community that contributes to the betterment of society. Our organisation has a long history of fostering good relations with our non-Muslim neighbours and we continue to work towards the goal of a peaceful and productive society.

The members of the AICP are diverse in their backgrounds and we embrace a wide range of nationalities and cultures. We have well-established programmes aimed at educating new Muslims in the practice of their faith. We have established Sunday schools where we educate children and adults about Islamic culture and history in order to dispel misconceptions that have been encouraged by misguided groups.

From the beginning, our organisation has been deeply conscious of the problems that are faced by the Muslim community. We have monitored with alarm the rise of deviant groups that have misguided a minority of community-members and encouraged them to become involved in a range of anti-social behaviours. We have a long history of educating people of all backgrounds in the evils of such groups.

AICP UK believes that the key to dealing with this crisis is empowerment through learning. Students leave our classes equipped with the tools that they need to protect themselves and their families from the contagion of deviant propaganda. The religious knowledge that we impart is derived from the soundest scriptural sources.

## **Achievement & Performance**

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit both to those who have used our community centres and educational facilities as well as the wider community in the cities we operate in.

- Spring and autumn recreational and educational camps.
- Annual UK talks during special religious occasions such as Ramadan.
- Permanent teacher education facility.
- Weekly Friday prayer congregations and meetings in towns and cities throughout the UK.
- Seminars to improve knowledge base for teachers/volunteers.
- Educational and recreational activities for children during school holidays.
- Weekly religious education seminars and lessons for the public in the different cities we have a presence.
- Organising festivals and events for different religious celebrations such as the Islamic new year, ^Eed festivals and commemorating the birth of the prophet MuHammad.
- We have combined resources and included The Northern Lights Preschool as one of our main Educational projects in Yorkshire.

## **Membership**

The men and women of the AICP are diverse in their backgrounds and vary widely in their national origins, ethnicity and age. Our organisation attracts people from virtually every walk of life.

## **Financial review**

Going concern:

The accounts have been prepared on a going concern basis, the charity has sufficient liquid funds to meet its liabilities as they fall due and expenditure is not authorised unless sufficient funds are in place.

Principle funding sources are from regular member donations, standing orders, funding for the preschool as well as parent contributions for after school education and rental income.

Expenditure Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an 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.

Overall, the trustees are happy with the financial health and operations of the charity. There are stable streams of income from different activities nationally. Things are stable and we are trying to strengthen existing educational centres and programmes as well as trying to grow in different areas of our work, especially in secular education. In 2020/21, we had Cafes at two of our centres, to attract new people to our centres and activities. However these were majorly impacted during the covid-19 pandemic.

Current year gains as per the statement of financial activities will be ploughed back into the charity's day-to-day running of activities.

## **Reserves policy**

The total funds of the charity have increased by £34k from £1.50m to £1.84m. Reserves not represented by the charity's properties and previous years surpluses, are retained mainly in bank accounts (£415k). The policy on unrestricted reserves is that these will be accumulated to allow the charity to operate and meet its objectives and a day to day basis.

## Future Developments

Looking to the future, AICP UK aims to fulfil the following objectives:

- Use the internet and multimedia technology to advance the cause of religious moderation and tackle issues of violent extremism and radicalisation within UK communities.
- Plan group Umrah & Hajj (pilgrimage) trips.
- Establish a reference library which will include a collection of classical manuscripts in microfilm and print form; this will be made available to Muslim and non-Muslim scholars and students around the UK.
- Establish after-school educational and recreational programmes throughout the UK.
- We also aim to facilitate and support the openings of a primary school and other pre-schools in the future and thus provide the highest quality of education to children within our communities; there we will support our young people to become educated and moral-minded members of modern British society.
- We purchased a new building in Harrow, Greater London in July 2019. This will be a new centre for us to be able to establish fulltime educational provisions as well as tuition services and other knowledge circles.

# **Independent Examiner's Report on the Accounts of the Association of Islamic Charitable Projects**

## **Respective responsibilities of trustees and independent examiner.**

The charity trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required this year (under section 43(2) of the Charities Act 1993 (The Act)) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 43(3)(a) of the Act);
- Follow the procedures laid in the general directions given by the Charity Commissioners (under section 43(7)(b) of the Act; and
- State whether particular matters have come to my attention.

## **Basis of Independent examiner's statement**

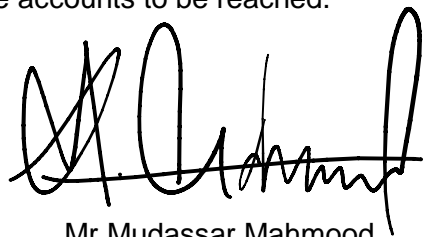
My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiners 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 41 of the 1993 Act. and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act.  
have 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.

Signed:



Date: 24/01/2022

Name:

Mr Mudassar Mahmood

Chartered Certified Accountant

Address:

10 Percy Street, HD2 2RX, Huddersfield

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31st MARCH 2021**

<b>INCOMING RESOURCES</b>	Notes	Restricted Funds	Unrestricted Funds	Total
<b>Income and Endowments from:</b>				-
Donations and legacies	2		314,567	314,567
Charitable & Educational Programmes			56,341	56,341
Other Grants Income		141,598	78,463	220,061
<b>Income from Charitable activities:</b>				-
CMBC Early Education Funding (TNL Preschool)		118,638		118,638
CMBC DCATCH Funding (TNL Preschool)		-		-
<b>Income from other trading activities</b>	3		10,621	10,621
<b>Investment Income</b>	4		93,436	93,436
				-
<b>TOTAL INCOMING RESOURCES</b>		<b>260,236</b>	<b>553,428</b>	<b>813,664</b>
				-
<b>EXPENDITURE ON</b>				
Raising Funds			-	-
				-
<b>Charitable Activities</b>				
General charitable activity	5		481,358	481,358
<b>TOTAL RESOURCES EXPENDED</b>			<b>481,358</b>	<b>481,358</b>
<b>SURPLUS/ (DEFICIT)</b>				<b>332,306</b>
<b>Net Movement in funds</b>				<b>332,306</b>
<b>Reconciliation of funds</b>				
Total Funds brought forward				<b>1,503,876</b>
<b>Total Funds carried forward</b>				<b>1,836,182</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.



**BALANCE SHEET AS AT 31 MARCH 2021**

	Notes	2020/21 £	2019/20 £
<b>Fixed Assets</b>			
Tangible Assets	6	2,513,593	2,566,449
<b>Current Assets</b>			
Stock/Booklets for Distribution		-	-
Debtors & Prepayments		-	2,400
Cash at bank & in hand	7	418,715	61,327
		<b>418,715</b>	<b>63,727</b>
<b>TOTAL ASSETS</b>		2,932,308	2,630,176
<b>Creditors - Amounts falling due within one year</b>			
Creditors / Accruals		-	-
<b>Creditors - Amounts falling due after more than one year</b>			
Private Loans for Property	8	112,190	114,190
Bank Mortgages	9	983,936	1,012,111
<b>Net Assets</b>		<b>1,836,182</b>	<b>1,503,876</b>
<b>The Funds of the charity</b>			
<b>Accumulated Funds:</b>			
Total Funds Brought Forward		1,503,876	1,413,583
Current Year Earnings		332,306	90,293
<b>TOTAL CHARITY FUNDS</b>		<b>1,836,182</b>	<b>1,503,876</b>

These financial statements were approved by the Trustees on 25<sup>th</sup> January 2022

Signed on behalf of the trustees

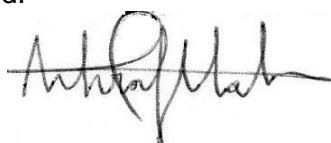
Signed:



Print Name:

MR SHAHID RAUF

Signed:



Print Name:

DR ASHRAF MALHAS

## **Notes to the financial statements for the year ended 31 March 2021**

### **1. Accounting Policies**

#### **Basis of preparation of financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### **Fund Accounting**

The bank and cash balances comprise of unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds related to specific grant funding related to The Northern Lights Pre-school.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably

#### **Bank receipts (Interest receivable)**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank

#### **Tangible fixed assets and depreciation**

Depreciation is provided for using rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	– 2% straight-line method
Fixtures & Fittings	– 25% straight-line method
Equipment	– 25% straight-line method

#### **Taxation**

The charity is exempt from tax on its charitable activities.

<b>2</b>	<b>Donations and Legacies</b>	<b>£</b>
	Donations from Members	231,455
	General Donations & Collections	19,351
	HMRC Gift Aid	64,411
		<u>315,217</u>
<b>3</b>	<b>Income from other trading activities</b>	<b>£</b>
	General Sales	5,654
	Cafes Sales	4,967
		<u>10,621</u>
<b>4</b>	<b>Investment Income</b>	<b>£</b>
	Rental Income	93,429
	Bank receipts	48
		<u>93,477</u>
<b>5</b>	<b>Direct Costs of Charitable Activities</b>	<b>£</b>
	Administration & Management & Legal costs	7,820
	Cleaning & waste management	821
	Educational Services	10,025
	Specific Events and Programmes	15,860
	Cafes Expenditure	4,819
	Consumables	1,570
	Fixture and fittings	7,626
	Food and Drink	2,990
	Office, IT and Other Equipment	12,078
	Building works, Renovations and maintenance	43,781
	Printing, postage & stationary	4,762
	Recreation, arts & crafts	1,130
	Rent, Hall & Room Hire	290
	Sundry	1,557
	Travel	2,274
	Teaching Resources	2,793
	Mortgage Interest Paid	24,279
	Utilities (Gas, Elec, Water, Phone, Waste)	49,602
	Payroll inc PAYE and NI	234,349
	Rates & C/Tax	-
	Bank Charges	78
	Depreciation	52,856
		<u>481,358</u>

## 6. Tangible Fixed Assets

	Land & Buildings £	Plant, Machinery, Equipment including vehicles £	Fixtures & Fittings £	Other £	Total £
<b>Cost</b>					
At 1 April 2020	2,617,806	35,040	83,504	-	<b>2,738,350</b>
Additions					-
Disposals					-
At 31 March 2021	<u>2,617,806</u>	<u>35,040</u>	<u>83,504</u>	<u>-</u>	<u><b>2,738,350</b></u>
<b>Depreciation</b>					
At 1 April 2020	<u>52,356</u>	<u>35,040</u>	<u>82,504</u>	<u>-</u>	<u><b>171,900</b></u>
Charge For year	52,356	-	500		<b>52,856</b>
At 31 March 2021	<u><b>104,712</b></u>	<u><b>35,040</b></u>	<u><b>83,004</b></u>	<u>-</u>	<u><b>224,756</b></u>
<b>Net Book value</b>					
At 31 March 2020	2,565,449	-	1,000	-	<b>2,566,449</b>
At 31 March 2021	<u><b>2,513,093</b></u>	<u>-</u>	<u><b>500</b></u>	<u>-</u>	<u><b>2,513,593</b></u>

## 7. Cash at Bank & In Hand

Cash In hand	3,307	5,798
Bank Balances	415,407	55,528
<b>Total</b>	<u><b>418,715</b></u>	<u><b>61,327</b></u>

Current year bank balance include £77k relating to funds held by and to be used for The Northern Lights Pre-school Halifax.

## 8. Private Loans

£112,190 represent Interest Free Loans taken from members in order to purchase new education and community centres in Halifax & London.

## 9. Mortgages

Mortgages relate to the outstanding amounts for the purchase of the AICP buildings located at:  
VGC House centre, Perivale, London (purchased in January 2013)  
84 Gayton Road, Harrow, Greater London (purchased in June 2019)

## 10. Surplus

Current Year surpluses are unrestricted funds for the usage towards the running of the charity and the pre-school. We have combined resources and included The Northern Lights Preschool within our accounts.

## **11. Trustees' Remuneration and benefits**

Of the trustees, it is noted that the following have contracts of employment with the charity, and are not being paid for trustee duties, rather in their capacity within the following specific duties:

Mr Shahid Rauf – Head of administration and finance

## **12. Related Party Disclosures**

Mr Mohammad Fayed (connected person to trustee Mr Hadi Fayed) –  
Has an employment contract as a branch lead and teacher.

## **13. Staff costs and the costs of key management personnel**

The average monthly number of employees during the year was as follows:

	2020/21	2019/20
Charitable Staff	32	32

No employees received emoluments in excess of £60,000