

LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

Report of the Trustees and Unaudited Financial Statements

For the year ended 04 March 2021

# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

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# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

## Report of the Trustees For the year ended 04 March 2021

The Trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 04 March 2021. The Trustees have adopted the provisions of 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

MAIN ACTIVITIES: EDUCATION PROGRAMMES AND CONFERENCES FOR ELDERLY AND YOUNG, ORGANISING COMMUNITY EVENTS, CO-OPERATION WITH OTHER CHARITIES, ANNUAL HAJJ AND UMRAH AND CULTURAL TOURS, FUNERAL ASSISTANCE.

#### Objectives and aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

### ACHIEVEMENTS AND PERFORMANCE

#### Significant activities

The charity's activities were curtailed due to the Covid pandemic. Most of the activities were conducted online, namely delivering lectures and fund raising.

During the year, the annual Hajj pilgrimage and tours to Turkey were cancelled due to Covid restrictions.

The charity continued to provide the UQBAH funeral services.

### FINANCIAL REVIEW

The total income for the year was £132,422 (2020: £498,349).

The total resources expended amounted to £111,617 (2020: £539,716).

The net surplus for the year amounted to £20,805 (2020: deficit £41,367).

#### Reserves

The total accumulated Reserves were £601,626 as at 4 March 2021 (£580,821: 2020).

The trustees consider, the reserves held are sufficient to continue the charity's activity in future years.

The trustees actively review the major risks which the charity faces on a regular basis and have also examined other operational risks faced by the charity. The trustees confirm that they have established systems to mitigate the significant risks.

#### Going concern

The trustees consider the charity to be a going concern despite the challenges posed by the Covid pandemic.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Recruitment and appointment of trustees

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet once a month collectively in order to review progress of the charity and take any decisions in relation to the activities provided by the charity.

The charity employed one part time staff during the year, all the major activities were carried out by the volunteers and trustees.

# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

Report of the Trustees Continued  
For the year ended 04 March 2021

## REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	LONDON ISLAMIC CULTURE AND RECREATION SOCIETY
Charity registration number	1057815
Principal address	130 STOKE NEWINGTON ROAD LONDON N16 7XA

### Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr Mehmet Erguz  
Mr Mesud Gulbahar  
Mr Rifat Gokce  
Mr Ubeyde Bilaloglu

### Independent examiners

Jamal Arshad FCCA  
JA Associates (UK) Ltd  
Chartered Certified Accountants  
1-4 The Parade, Monarch Way  
Ilford, Essex  
IG2 7HT

Approved by the Board of Trustees and signed on its behalf by

.....  
Mr Ubeyde Bilaloglu

30 December 2021

LONDON ISLAMIC CULTURE AND RECREATION SOCIETY  
Independent Examiners Report to the Trustees  
For the year ended 04 March 2021

I report to the trustees on my examination of the accounts of the charity for the year ended 04 March 2021.

**Responsibilities and basis of report**

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

I report in respect of my examination of the charity's accounts 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 examiners statement**

I have completed my examination. I confirm that no 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 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.



Jamal Arshad FCCA  
JA Associates (UK) Ltd  
Chartered Certified Accountants  
1-4 The Parade, Monarch Way  
Ilford, Essex  
IG2 7HT

30 December 2021



# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

## Statement of Financial Activities For the year ended 04 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 £	2020 £
<b>Income and endowments from:</b>					
Donations and legacies	2	94,582	-	94,582	55,035
Charitable activities	3	-	23,920	23,920	431,497
Hajj and Umrah Activities		-	13,920	13,920	11,817
Funeral Services					
<b>Total</b>		<b>94,582</b>	<b>37,840</b>	<b>132,422</b>	<b>498,349</b>
<b>Expenditure on:</b>					
Raising funds	4	(1,794)	-	(1,794)	(13,568)
Costs of generating donations and legacies					
Charitable activities	5/6	(80,983)	-	(80,983)	(496,052)
Hajj and Umrah Activities		-	(7,430)	(7,430)	(2,050)
Funeral Services		(21,410)	-	(21,410)	(28,046)
Administration					
<b>Total</b>		<b>(104,187)</b>	<b>(7,430)</b>	<b>(111,617)</b>	<b>(539,716)</b>
<b>Net income/expenditure</b>		<b>(9,605)</b>	<b>30,410</b>	<b>20,805</b>	<b>(41,367)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		610,513	(29,692)	580,821	622,188
<b>Total funds carried forward</b>		<b>600,908</b>	<b>718</b>	<b>601,626</b>	<b>580,821</b>

**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Statement of Financial Position**  
**As at 04 March 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	1,707	2,276
Investments	13/14	1	1
		<u>1,708</u>	<u>2,277</u>
<b>Current assets</b>			
Debtors	15	642,812	651,195
Cash at bank and in hand		38,414	45,006
		<u>681,226</u>	<u>696,201</u>
<b>Creditors: amounts falling due within one year</b>	16	(81,307)	(117,656)
<b>Net current assets</b>		<u>599,919</u>	<u>578,545</u>
<b>Total assets less current liabilities</b>		<u>601,627</u>	<u>580,822</u>
<b>Creditors: amounts falling due after more than one year</b>	17	(1)	(1)
<b>Net assets</b>		<u>601,626</u>	<u>580,821</u>
<b>The funds of the charity</b>			
Restricted income funds	18	718	(43,932)
Unrestricted income funds	18	600,908	624,753
<b>Total funds</b>		<u>601,626</u>	<u>580,821</u>

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

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Mr Ubeyde Bilaloglu  
Trustee  
30 December 2021

# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

## Notes to the Financial Statements For the year ended 04 March 2021

### 1. Accounting Policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 2019)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011.

LONDON ISLAMIC CULTURE AND RECREATION SOCIETY meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### Going concern

The accounts are prepared on a going concern basis.

#### Funds

The charity's funds are split between unrestricted and restricted.

Unrestricted funds: All donations are considered unrestricted unless specifically stated by the donor. Unrestricted funds comprise the accumulated surplus or deficit on the statement of financial activities which are available for use at the discretion of the trustees in furtherance of the objectives of the charity.

Restricted funds: These are assigned by the donor, specified by a particular use or project. The donation and income deriving from them will be used in accordance with the specific purposes.

#### Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

#### Resources expended

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure.

#### Costs of generating funds

Costs of generating funds are costs incurred in attracting voluntary income / fundraising.

Costs of generating voluntary income: The costs incurred in seeking voluntary contributions.

#### Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax (VAT) is not recoverable by the company, and is therefore included in the relevant costs in the statement of financial activities.

#### Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures and Fittings - 20% straight line

#### Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

#### Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.



**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Notes to the Financial Statements Continued**  
**For the year ended 04 March 2021**

**Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to London Islamic Culture and Recreation Society.

**Cash and Cash equivalents**

The charity only considers cash in hand as cash at bank which is immediately available as cash equivalents.

**2. Income from donations and legacies**

	2021 £	2020 £
<b>Unrestricted funds</b>		
Donations received	80,199	55,035
Grants received	14,383	-
	<u>94,582</u>	<u>55,035</u>

**Analysis of grants received**

	2021 £	
CJRS Support Grant	4,383	-
Council covid grant	10,000	-
	<u>14,383</u>	<u>-</u>

**3. Income from charitable activities**

	2021 £	2020 £
<b>Restricted funds</b>		
<i>Hajj and Umrah Activities</i>		
Income from charitable activities	23,920	431,497
<i>Funeral Services</i>		
Income from charitable activities	13,920	11,817
	<u>37,840</u>	<u>443,314</u>

LONDON ISLAMIC CULTURE AND RECREATION SOCIETY  
Notes to the Financial Statements Continued  
For the year ended 04 March 2021

4. Expenditure on generating donations and legacies

	2021 £	2020 £
<b>Unrestricted funds</b>		
Donations	1,794	13,568
	<u>1,794</u>	<u>13,568</u>

5. Costs of charitable activities by fund type

	Unrestricted funds £	Restricted funds £	2021 £	2020 £
Hajj and Umrah Activities	80,983	-	80,983	496,052
Funeral Services	-	7,430	7,430	2,050
Support costs	21,410	-	21,410	28,046
	<u>102,393</u>	<u>7,430</u>	<u>109,823</u>	<u>526,148</u>
Governance cost				

6. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	2021 £	2020 £
<b>Support costs</b>				
Hajj and Umrah Activities	80,983	-	80,983	496,052
Funeral Services	7,430	-	7,430	2,050
Administration	-	21,410	21,410	28,046
	<u>88,413</u>	<u>21,410</u>	<u>109,823</u>	<u>526,148</u>

7. Analysis of support costs

	2021 £	2020 £
<b>Administration</b>		
Management	19,610	25,046
Governance costs	1,800	3,000
	<u>21,410</u>	<u>28,046</u>

LONDON ISLAMIC CULTURE AND RECREATION SOCIETY  
Notes to the Financial Statements Continued  
For the year ended 04 March 2021

**8. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	2021	2020
	£	£
Auditor's fees	1,800	3,000

**9. Staff costs and emoluments**

Total staff costs for the year ended 04 March 2021 were:

	2021	2020
	£	£
Salaries and wages	6,831	9,996
	<b>6,831</b>	<b>9,996</b>

	2021	2020
	1	2
Administration	1	2
	<b>1</b>	<b>2</b>

During the year, the charity relied upon the assistance of a number of unpaid volunteers.

**10. Trustee remuneration and related party transactions**

There were no payments in respect of remuneration and or expenses made to the trustees during the year (2020: £0).

**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Notes to the Financial Statements Continued**  
**For the year ended 04 March 2021**

**11. Comparative for the Statement of Financial Activities**

	Unrestricted funds £	Restricted funds £	2020 £
<b>Income and endowments from:</b>			
Donations and legacies	55,035	-	55,035
Charitable activities	-	443,314	443,314
<b>Total</b>	<b>55,035</b>	<b>443,314</b>	<b>498,349</b>
<b>Expenditure on:</b>			
Raising funds	(13,568)	-	(13,568)
Charitable activities	(97,922)	(428,226)	(526,148)
<b>Total</b>	<b>(111,490)</b>	<b>(428,226)</b>	<b>(539,716)</b>
<b>Net income/expenditure</b>	<b>(56,455)</b>	<b>15,088</b>	<b>(41,367)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	681,208	(59,020)	622,188
<b>Total funds carried forward</b>	<b>624,753</b>	<b>(43,932)</b>	<b>580,821</b>

**12. Tangible fixed assets**

Cost or valuation	Fixtures and Fittings £
At 05 March 2020	3,556
At 04 March 2021	<b>3,556</b>
<b>Depreciation</b>	
At 05 March 2020	1,280
Charge for year	569
At 04 March 2021	<b>1,849</b>
<b>Net book values</b>	
At 04 March 2021	<b>1,707</b>
At 04 March 2020	<b>2,276</b>



**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Notes to the Financial Statements Continued**  
**For the year ended 04 March 2021**

**Investments**

**13. Analysis of movement of commercial investments**

	Investments in subsidiaries £
Market value at 05 March 2020	1
Market value at 04 March 2021	<u>1</u>

The investment represents the charity's ownership of 100% of the share capital of Sovereign Property Commerce Ltd.

**14. Analysis of investments between funds as at year ended 04 March 2021**

	2021 £	2020 £
<b>Unrestricted funds</b>		
Investments in subsidiaries and related undertakings	1	1
	<u>1</u>	<u>1</u>

**15. Debtors**

	2021 £	2020 £
<b>Amounts due after more than one year:</b>		
Amounts due by group and associated undertakings	642,222	642,222
Other debtors	590	8,973
	<u>642,812</u>	<u>651,195</u>

The balance of £642,222 (2020: £642,222) represents amounts due from Sovereign Property Commerce Ltd.

**16. Creditors: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	79,507	112,316
Accruals and deferred income	1,800	5,340
	<u>81,307</u>	<u>117,656</u>

**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Notes to the Financial Statements Continued**  
**For the year ended 04 March 2021**

**17. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Amounts due to subsidiary and associated undertakings	1	1
	<u>1</u>	<u>1</u>

**18. Movement in funds**

**Unrestricted Funds**

	Balance at 05/03/2020	Incoming resources	Outgoing resources	Balance at 04/03/2021
	£	£	£	£
<i>General</i>				
General	610,513	94,582	(104,187)	600,908
	<u>610,513</u>	<u>94,582</u>	<u>(104,187)</u>	<u>600,908</u>

**Unrestricted Funds - Previous year**

	Balance at 05/03/2019	Incoming resources	Outgoing resources	Balance at 04/03/2020
	£	£	£	£
<i>General</i>				
General	681,208	55,035	(111,490)	624,753
	<u>681,208</u>	<u>55,035</u>	<u>(111,490)</u>	<u>624,753</u>

**Purpose of unrestricted Funds**

**General**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

**Restricted Funds**

	Balance at 05/03/2020	Incoming resources	Outgoing resources	Balance at 04/03/2021
	£	£	£	£
Funeral Services	14,240	13,920	(7,430)	20,730
Hajj and Umrah Activities	(43,932)	23,920	-	(20,012)
	<u>(29,692)</u>	<u>37,840</u>	<u>(7,430)</u>	<u>718</u>

# LONDON ISLAMIC CULTURE AND RECREATION SOCIETY

## Notes to the Financial Statements Continued

For the year ended 04 March 2021

### Restricted Funds - Previous year

	Balance at 05/03/2019	Incoming resources	Outgoing resources	Balance at 04/03/2020
	£	£	£	£
Funeral Services	7,750	11,817	(2,050)	17,517
Hajj and Umrah Activities	(66,770)	431,497	(426,176)	(61,449)
	<b>(59,020)</b>	<b>443,314</b>	<b>(428,226)</b>	<b>(43,932)</b>

### Purpose of restricted funds

#### Hajj and Umrah Activities

Restricted funds are grants which the donor has specified are to be solely used for particular areas of the charity's work or for specific project.

#### Funeral Services

Restricted funds are grants which the donor has specified are to be solely used for particular areas of the charity's work or for specific project.

### 19. Analysis of net assets between funds

	Tangible fixed assets	Investments	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
<b>Unrestricted funds</b>					
General					
General	1,707	1	599,919	(1)	601,626
	<b>1,707</b>	<b>1</b>	<b>599,919</b>	<b>(1)</b>	<b>601,626</b>

#### Previous year

	Tangible fixed assets	Investments	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£	£
<b>Unrestricted funds</b>					
General					
General	2,276	1	578,545	(1)	580,821
	<b>2,276</b>	<b>1</b>	<b>578,545</b>	<b>(1)</b>	<b>580,821</b>

**LONDON ISLAMIC CULTURE AND RECREATION SOCIETY**  
**Detailed Statement of Financial Activities**  
**For the year ended 04 March 2021**

	2021 £	2020 £
<b>INCOME AND ENDOWMENT</b>		
<b>Donations and legacies</b>		
Donations	80,199	55,035
Grants receivable	14,383	-
	<u>94,582</u>	<u>55,035</u>
<b>Charitable activities</b>		
Income from charitable activities (Hajj and Umrah Activities)	23,920	431,497
Income from charitable activities (Funeral Services)	13,920	11,817
	<u>37,840</u>	<u>443,314</u>
<b>Total incoming resources</b>	<u>132,422</u>	<u>498,349</u>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Donations	(1,794)	(13,568)
	<u>(1,794)</u>	<u>(13,568)</u>
<b>Charitable activities</b>		
Cost of direct charitable activity (Hajj and Umrah Activities)	(80,983)	(496,052)
Cost of direct charitable activity (Funeral Services)	(7,430)	(2,050)
	<u>(88,413)</u>	<u>(498,102)</u>
<b>SUPPORT COSTS</b>		
<b>Management</b>		
Management (Administration)	(19,610)	(25,046)
	<u>(19,610)</u>	<u>(25,046)</u>
<b>Governance costs</b>		
Governance costs (Administration)	(1,800)	(3,000)
	<u>(1,800)</u>	<u>(3,000)</u>
<b>Total resources expended</b>	<u>(111,617)</u>	<u>(539,716)</u>
<b>Net Income</b>	<u>20,805</u>	<u>(41,367)</u>