

COMPANY REGISTRATION NUMBER 05223745

**HALAL MONITORING COMMITTEE LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2011**

Charity Number 1129667



**WATERGATES**  
Chartered Certified Accountants & Statutory Auditor  
Watergates Building  
109 Coleman Road  
Leicester  
LE5 4LE

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2011**

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# **HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2011**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2011

### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	Halal Monitoring Committee Limited
<b>Charity registration number</b>	1129667
<b>Company registration number</b>	05223745
<b>Registered office</b>	83 Rolleston Street Leicester United Kingdom LE5 3SD

### **THE TRUSTEES**

The trustees who served the charity during the period were as follows

M S Fakir  
S K Pathan  
M N A Baig  
M H Dudhwala  
M A Lunat  
I S Kola  
M U Nazir  
A G Kapadia  
I Patel  
Y Dudhwala  
R I Patel  
A F Raja  
S Ingar  
A A Khan

**Secretary** I Patel

**Auditor** Watergates  
Chartered Certified Accountants  
& Statutory Auditor  
Watergates Building  
109 Coleman Road  
Leicester  
LE5 4LE

**Bankers** National Westminster  
121a East Park Road  
Leicester  
LE5 4NY

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2011**

Islamic Bank Of Britain  
94a London Road  
Leicester  
LE2 0QW

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Halal Monitoring Committee (HMC) is a registered Charity (charity no 1129667) and a not for profit organisation which is governed by its Memorandum and Articles of Association

It is currently overseen by 14 Trustees, majority of who are Islamic Scholars, and take responsibility for the oversight of the organisation

The Trustees meet quarterly to review operational matters, strategic direction, escalations, review progress and confirm financial compliance

On a day to day basis, the Trustees have delegated instructions which are carried out by the Management and Operation staff of the HMC

Each member within HMC, are provided induction and other training to undertake their roles This will include religious and non-religious guidelines to undertake their job role

# **HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2011**

### **OBJECTIVES AND ACTIVITIES**

Our principle objectives are

(A) The advancement of the religion of Islam, by means of, but not exclusively, the provision of facilities to enable Muslim members of the public to practice the Islamic religion and in particular to enable them to observe the Islamic dietary requirements and laws relating to Halal food,

(B) To advance the education of the public by means of, but not exclusively, providing training in matters relating to the Islamic dietary requirements, laws relating to Halal food, food safety and good standards in food hygiene

The Halal Monitoring Committee has continued to provide services wherein the Muslim community has been able to benefit from having the confidence that HMC labelled Halal food gives the assurance that they are meeting their spiritual dietary requirement

In late Sept 2009 HMC, conducted a Halal survey where questions were asked to leading scholars of the Muslim community regarding Halal and the different practices taking place within the industry. This highlighted significant issues of Halal which HMC continues to campaign on to protect the supply of Halal

From our research over several years we have identified that members of the public are unable to make informed decisions concerning Halal

We believe that by assisting by the means of education and allowing members of the public to achieve this goal it allows HMC operate on the principal of public benefit

HMC also relies heavily on its national volunteers as without this it would be difficult to function. Local Area Groups (LAGs) HMC currently operate in over 30 different Cities across the United Kingdom and these volunteers overlook the operations taking place. Primarily they assist to educate their local communities regarding Halal. HMC is currently supported by over 90 LAG members nationally

# **HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2011**

### **ACHIEVEMENTS AND PERFORMANCE**

The charity is predominantly a monitoring organisation that educates abattoirs and retail stores on the principal of Halal and demonstrates the spiritual and practical benefits of providing genuine Halal to the members of the public. HMC has personnel stationed within plants and work as part of the team to best advice how to adhere to the terms as set out by HMC.

In doing this, HMC has developed a unique monitoring system where it has independent personnel stationed within abattoirs and other processing plants ensuring that the foods being despatched are wholesome and meet the criteria as set out by HMC. With this in mind it has allowed HMC to give members of the public assurance on the products that they buy and consume.

The monitoring process does not stop there as HMC has also deployed personnel to monitor outlets inclusive of butchers and restaurants thus giving further assurance on the products that member of the public buy. Due to this robust monitoring process it not only allows the abattoirs to sell with confidence but allows the end consumer to buy with confidence too.

The charity also deploys its services within local community centres and mosques where members of the public are given informative information about the Halal industry and how they can better their dietary intake and be better informed about the foods that they consume. From our research we have found it is not just the meat industry where ambiguity exists but also the non meat industries like beverages and confectionery.

Due to this ambiguity the charity is working at the forefront to assist and educate people on what is legitimate for them to consume.

The charity has also been working with government organisations and is part of the Muslim Working Group at the food standard agency giving valuable input and representing the community when decisions are made concerning Halal. HMC has become one of the most recognised halal certifying bodies with its goal of clear and transparent representation within the industry.

HMC over the past 12 months has made steady progress allowing it to not only meet but exceed many of its objectives. Its current financial position has allowed HMC to implement many items inclusive of the following:

Development of a new interactive website, deployed more people to carry out further educational programs in community centres, produced more publications which are handed out to members of the public.

As the organisation has grown, HMC has had to recruit more people to be able to keep up with the demand of its services and for this reason this is where majority of its investment is and will be placed.

Furthermore HMC has strived to reduce its historic debt by implementing robust credit control procedures and over the past 12 months it has achieved a significant gain. HMC has also bought its payroll services in house allowing for real time information to be attained so that key management decisions can be made. This also brings about better control over procedures as many items are now automated using this piece of software.

# **HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2011**

### **FINANCIAL REVIEW**

A summary of the financial results for the year is set out in the statement of financial activities on page 9 of the financial statements

During the year, direct charitable income increased by approx 24% to £1,134,947 (2010 £917,884) whereas total incoming resources increased by approx 11% to £1,144,205 (2010 £1,027,472) The effect of an increase in the direct charitable income has been refuted to an extent as a result of reduction in the donations income of approx 94% to £6,708 (2010 £106,588) The donations income were higher last year as a result of number of existing loans (Karz-e-Hasna) being authorised to be converted into donations by the individuals and organisations who extended these funds initially

Total resources expended rose by approx 26% to £1,096,897 (2010 £868,406) mainly as a result of an increase in wages and staff related travel expenses together with an increase in direct costs The increase in wages costs was necessary as the organisation has employed more staff during the year to meet an increase in demand for its services

Despite resources expended being increased by higher proportion than an increase in incoming resources, HMC has yet again shown that it is a well run organisation with sound financial standing It has managed to achieve an overall surplus of £47,308 (2010 £159,066) as set out on page 9 of the financial statements

As HMC has decided to move into certifying non meat products, significant funds will be placed into this venture as well deploying extra funds in people as the organisation is growing considerably

HMC will strive to provide the best service to its communities and ensure that members of the public are able to fulfill their dietary requirements

### **PLANS FOR FUTURE PERIODS**

Over the past few months, HMC has received many enquiries with regards to certifying non meat products and is currently in the process of moving this venture forward by identifying key processes to facilitate this venture

We believe that by placing emphasis on this, it will not only allow HMC to meet its current objective but move forward and provide members of the public with assurance on the everyday products that they use As mentioned above it is not only the meat and poultry industry where assurance is required but also the non meat industry

HMC intends to grow from strength to strength over the next financial year and establish a larger market share within the Halal industry and gain greater exposure by developing a better marketing and PR machine tools

### **RESPONSIBILITIES OF THE TRUSTEES**

The trustees (who are also the directors of Halal Monitoring Committee Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

# **HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

### **YEAR ENDED 31 MARCH 2011**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

#### **AUDITOR**

Watergates are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
83 Rolleston Street  
Leicester  
United Kingdom  
LE5 3SD

Signed by order of the trustees



I PATEL  
Charity Secretary

28 December 2011



**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALAL  
MONITORING COMMITTEE LIMITED**

**YEAR ENDED 31 MARCH 2011**

We have audited the financial statements of Halal Monitoring Committee Limited for the year ended 31 March 2011 on pages 9 to 16, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and on the basis of the accounting policies set out on page 12

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

The responsibilities of the trustees (who also act as directors of Halal Monitoring Committee Limited for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on pages 5 to 6.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees Annual Report is not consistent with those financial statements, if the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with these accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HALAL  
MONITORING COMMITTEE LIMITED (continued)**

**YEAR ENDED 31 MARCH 2011**

**BASIS OF AUDIT OPINION**

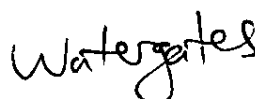
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**OPINION**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been prepared in accordance with the Companies Act 2006



NAZIR MALIDA (Senior Statutory Auditor)

For and on behalf of

**WATERGATES**

Chartered Certified Accountants  
& Statutory Auditor

Watergates Building  
109 Coleman Road  
Leicester  
LE5 4LE

28 December 2011

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 MARCH 2011**

	Note	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generating funds			
Voluntary income	2	6,708	106,588
Investment income	3	2,550	3,000
Incoming resources from charitable activities	4	1,134,947	917,884
<b>TOTAL INCOMING RESOURCES</b>		<u>1,144,205</u>	<u>1,027,472</u>
<b>RESOURCES EXPENDED</b>			
Charitable activities	5/6	(1,092,898)	(863,889)
Governance costs	7	(3,999)	(4,001)
Other resources expended	8	—	(516)
<b>TOTAL RESOURCES EXPENDED</b>		<u>(1,096,897)</u>	<u>(868,406)</u>
<b>NET INCOMING RESOURCES FOR THE YEAR/NET INCOME FOR THE YEAR</b>	9	47,308	159,066
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		<u>117,240</u>	<u>(41,826)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>164,548</u>	<u>117,240</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore  
a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 12 to 16 form part of these financial statements

# HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

31 MARCH 2011

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Intangible assets	12	3,650	–
Tangible assets	13	39,946	47,140
		<u>43,596</u>	<u>47,140</u>
<b>CURRENT ASSETS</b>			
Stocks	14	4,013	5,447
Debtors	15	922,292	598,360
Cash at bank and in hand		26,771	34,420
		<u>953,076</u>	<u>638,227</u>
<b>CREDITORS: Amounts falling due within one year</b>	16	<u>(832,124)</u>	<u>(568,127)</u>
<b>NET CURRENT ASSETS</b>		<b>120,952</b>	<b>70,100</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>164,548</b>	<b>117,240</b>
<b>NET ASSETS</b>		<b>164,548</b>	<b>117,240</b>
<b>FUNDS</b>			
Unrestricted income funds	17	164,548	117,240
<b>TOTAL FUNDS</b>		<b>164,548</b>	<b>117,240</b>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act. However it is required to have a statutory audit under the Charities Act 1993.

The trustees acknowledge their responsibilities for

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

The Balance sheet continues on the following page.  
The notes on pages 12 to 16 form part of these financial statements

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET** *(continued)*

**31 MARCH 2011**

These financial statements were approved by the members of the committee on the 28 December 2011 and are signed on their behalf by



M S FAKIR  
Director

Company Registration Number 05223745

The notes on pages 12 to 16 form part of these financial statements

# HALAL MONITORING COMMITTEE LIMITED COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 MARCH 2011**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Web portal and mobile application - over 5 years

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Equipment - 20% on cost  
Fixtures and fittings - 10% on cost

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

### **2. VOLUNTARY INCOME**

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>Donations</b>			
Donations	<u>6,708</u>	<u>6,708</u>	<u>106,588</u>

### **3. INVESTMENT INCOME**

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Other investment income	<u>2,550</u>	<u>2,550</u>	<u>3,000</u>

**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2011**

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Monitoring	<u>1,134,947</u>	<u>1,134,947</u>	<u>917,884</u>

**5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Monitoring	<u>1,092,898</u>	<u>1,092,898</u>	<u>863,889</u>

**6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Activities undertaken directly £	Total Funds 2011 £	Total Funds 2010 £
Monitoring	<u>1,092,898</u>	<u>1,092,898</u>	<u>863,889</u>

**7. GOVERNANCE COSTS**

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Audit fees	<u>3,999</u>	<u>3,999</u>	<u>4,001</u>

**8. OTHER RESOURCES EXPENDED**

	Total Funds 2011 £	Total Funds 2010 £
Losses on disposal of tangible fixed assets for charity's own use	<u>—</u>	<u>516</u>

**9. NET INCOMING RESOURCES FOR THE YEAR**

This is stated after charging

	2011 £	2010 £
Amortisation of intangible assets	912	—
Depreciation	7,890	7,814
Auditors' remuneration		
- audit of the financial statements	<u>3,999</u>	<u>4,001</u>

# **HALAL MONITORING COMMITTEE LIMITED** **COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2011**

### **10. STAFF COSTS AND EMOLUMENTS**

**Total staff costs were as follows:**

	2011	2010
	£	£
Wages and salaries	813,557	644,122
Social security costs	35,749	29,213
	<u>849,306</u>	<u>673,335</u>

**Particulars of employees:**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2011	2010
	No	No
Number of production staff	92	65
Number of administrative staff	7	6
	<u>99</u>	<u>71</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil)

### **11. TRUSTEES' REMUNERATION**

Mr S Ingar and Mr M S Fakir are both trustees and directors of the charity. Included in the wages costs is £6,709 (2010 - £7,126) which relates to wages paid to Mr S Ingar for his services as a Events coordinator and local area group manager and £11,247 (2010 - £11,154) to Mr M S Fakir for his services as one of the administration staff.

### **12. INTANGIBLE FIXED ASSETS**

	Web portal and mobile application £
<b>COST</b>	
Additions	4,562
<b>At 31 March 2011</b>	<u>4,562</u>
<b>AMORTISATION</b>	
Charge for the year	912
<b>At 31 March 2011</b>	<u>912</u>
<b>NET BOOK VALUE</b>	
<b>At 31 March 2011</b>	<u>3,650</u>
At 31 March 2010	<u>—</u>



**HALAL MONITORING COMMITTEE LIMITED  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2011**

**13. TANGIBLE FIXED ASSETS**

	Equipment £	Fixtures & Fittings £	Total £
<b>COST</b>			
At 1 April 2010	5,415	68,815	74,230
Additions	696	1,185	1,881
Disposals	(1,185)	–	(1,185)
<b>At 31 March 2011</b>	<u>4,926</u>	<u>70,000</u>	<u>74,926</u>
<b>DEPRECIATION</b>			
At 1 April 2010	3,468	23,622	27,090
Charge for the year	890	7,000	7,890
On disposals	(878)	878	–
<b>At 31 March 2011</b>	<u>3,480</u>	<u>31,500</u>	<u>34,980</u>
<b>NET BOOK VALUE</b>			
<b>At 31 March 2011</b>	<u>1,446</u>	<u>38,500</u>	<u>39,946</u>
At 31 March 2010	<u>1,947</u>	<u>45,193</u>	<u>47,140</u>

**14. STOCKS**

	2011 £	2010 £
Stock	<u>4,013</u>	<u>5,447</u>

**15. DEBTORS**

	2011 £	2010 £
Trade debtors	906,899	593,560
Prepayments	<u>15,393</u>	<u>4,800</u>
	<u>922,292</u>	<u>598,360</u>

# **HALAL MONITORING COMMITTEE LIMITED** **COMPANY LIMITED BY GUARANTEE**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2011**

**16. CREDITORS: Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	30,209	—
Taxation and social security	704,493	474,134
Wages control account	57,624	55,148
Other creditors	22,002	26,002
Accruals	17,796	12,843
	<u>832,124</u>	<u>568,127</u>

HMC was incorporated in September 2004 providing a monitoring service to fast food takeaways, restaurants, butchers, as well as abattoirs and poultry processors. This generated a majority of its income over that past years.

The sale of goods and services is trading income and taxable for Value Added Tax (VAT) purposes. The trustees were of the opinion that the income was not subject to VAT and so did not register despite having breached the compulsory VAT registration threshold.

Included within Taxation and social security is an amount of £659,210 representing cumulative VAT relating to sales made since 2004 and a corresponding entry made to trade debtors. Thus reflecting the potential to collect the VAT due by invoicing its customers the VAT element that would have been due on the original invoice had HMC been registered at the time, so having no impact on the income and expenditure account.

**17. UNRESTRICTED INCOME FUNDS**

	Balance at 1 April 2010 £	Incoming resources £	Outgoing resources £	Balance at 31 March 2011 £
General Funds	<u>117,240</u>	<u>1,144,205</u>	<u>(1,096,897)</u>	<u>164,548</u>

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted Income Funds	<u>43,596</u>	<u>120,952</u>	<u>164,548</u>
Total Funds	<u>43,596</u>	<u>120,952</u>	<u>164,548</u>

**19. COMPANY LIMITED BY GUARANTEE**

The company is limited by guarantee.