

THE TRUST DEED OF SHROPSHIRE ISLAMIC FOUNDATION

In the name of Allah, the Benificent, the Merciful:

All praise is due to Allah, the Lord of the Worlds. The Benificent, the Merciful. Master of the Day of Judgement. Thee do we serve and Thee do we beseech for help. Keep us on the right path. The path of those upon whom though hast bestowed favours. Not [the path] of those upon whom Thy wrath is brought down, nor of those who go astray.

THE FIRST TRUST DEED was made 25 RABI UL AKHIR 1426 (3rd June 2005) by the FIRST TRUSTEES:
Mr Saleah Hassen Laher; Mr Arif Mahmood and Dr Mohammed Mujahid Hussain Qureshi.

THE TRUST DEED was amended on 01st September 2011 by the TRUSTEES:

- (1) *Full name of the First Trustee*
Dr MOHAMMED MUJAHID HUSSAIN QURESHI
- (2) *Full name of the Second Trustee*
Mr SHAH SAWAR BHATTI
- (3) *Full name of the Third Trustee*
Dr SHAUKAT ALI

WITNESSES AS FOLLOWS:

1. INTRODUCTION
 - 1.1 The Trustees hold the land and buildings of (1) the Telford Central Mosque located at 41 Tan Bank, Wellington, Telford, TF1 1HW and (2) the Telford Islamic Academy located at 88-90 King Street, Wellington, Telford, TF1 1NZ together with other property and money on the trusts declared in this Deed.
 - 1.2 Further money or property may be paid or transferred to the Trustees for the Foundation.
 - 1.3 The land and buildings described in Section 1.1 were purchased with funds donated by members of the Islamic community living in Shropshire and the rest of the United Kingdom. The Foundation exists to preserve these assets for the benefits of all residents of Shropshire in perpetuity.
2. NAME & OBJECTS
 - 2.1 The name of the Foundation is Shropshire Islamic Foundation.
 - 2.2 The Objects are:
 - 2.3 **(1) To advance the Islamic religion in accordance with the teaching of the Holy Qu'ran and the teachings of the Prophet Muhammad (peace be upon him). Also to further Islamic education the teaching of the Arabic language.**

- 2.4 **(2) To promote the education and training of people of all ages and faiths living in Shropshire to develop their intellectual, physical, economic and spiritual capacities. In so doing to promote equal opportunities, good community relations and religious tolerance.**

3. POWERS

The Trustees have the following powers, which may be exercised only in promoting the Objects:

- 3.1 To promote or carry out research.
- 3.2 To provide advice.
- 3.3 To publish or distribute information.
- 3.4 To cooperate with other bodies.
- 3.5 To support, administer or set up other charities.
- 3.6 To raise funds (but not by means of taxable trading).
- 3.7 To borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act). The Trustees may not pay interest on money that they borrow or enter into any other financial arrangements that may be in contravention of Islamic law.
- 3.8 To acquire of hire property of any kind.
- 3.9 To let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act).
- 3.10 To make grants or loans of money and to give guarantees. The Trustees may not receive interest on money that they loan enter into any other financial arrangements that may be in contravention of Islamic Law.
- 3.11 To set aside funds for special purposes or as reserves against future expenditure.
- 3.12 To deposit or invest funds both in the United Kingdom and internationally in any manner that is in accordance with Islamic Law (but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification). The financial expert shall be suitably qualified (See 13.1). He or she shall be wholly independent of the Trustees.
- 3.13 To delegate the management of investments to a financial expert, but only on terms that:
- (1) The investment policy is recorded in writing for the financial expert by the Trustees;
 - (2) Every transaction is reported promptly to the Trustees;
 - (3) The performance of the investments is reviewed regularly with the Trustees;

- (4) The Trustees are entitled to cancel the delegation arrangement at any time;
- (5) The investment policy and the delegation arrangement are reviewed at least once a year;
- (6) All payments due to the final expert are on a scale or at a level which is agreed in advance and are reported promptly to the Trustees on receipt;
- (7) The financial expert must not do anything outside the powers of the Trustees;
- (8) The financial expert must understand the principles of Islamic Law as it applies to financial transactions and agree to abide by these at all times when he/she is acting on the Trustees behalf.

- 3.14 To insure the property of the Foundation against any foreseeable risk and take out other insurance policies to protect the Foundation when required.
- 3.15 To pay indemnity insurance for the Trustees.
- 3.16 Subject to clause 6.3, to employ paid or unpaid agents, staff or advisers.
- 3.17 To enter into contracts to provide services to or on behalf of other bodies.
- 3.18 To establish or acquire subsidiary companies to assist or act as agents for the Foundation. These must be managed in accordance with the Objects of the Foundation and in accordance with the principles of Islamic Law.
- 3.19 To pay the costs of forming the Foundation.
- 3.20 To develop the land and buildings of the Foundation.
- 3.21 To develop any other charitable services that the Trustees consider are compatible with the Objects including providing services in Shropshire, the rest of the United Kingdom and internationally.
- 3.22 To do anything else within the law that promotes or helps to promote the Objects of Shropshire Islamic Foundation.

4. THE TRUSTEES

- 4.1 The Trustees as Foundation Trustees have control of Shropshire Islamic Foundation and its property and funds.
- 4.2 The full number of Trustees is three individuals who must all be practicing members of the Islamic Faith.
- 4.3 Subject to clause 4.7, the Trustees are entitled to hold office for the following periods:

Trust Deed of Shropshire Islamic Foundation

Dr MOHAMMED MUJAHID HUSSAIN QURESHI	4 years from appointment
Mr SHAH SAWAR BHATTI	4 years from appointment
Dr SHAUKAT ALI	4 years from appointment

- 4.4 Future Trustees must be appointed for terms of office of 4 years by resolution of the Trustees.
- 4.5 A retiring Trustee who is competent to act may be reappointed at the end of the term of office.
- 4.6 Every future Trustee must sign a declaration of willingness to act as a Trustee of the Foundation before he or she may vote at any meeting of the Trustees.
- 4.7 A Trustee automatically ceases to be a Trustee if he or she:
- (1) Is disqualified under the Charities Act from acting as a Foundation Trustee or Trustee for a Foundation;
 - (2) Is incapable, whether mentally or physically, of managing his/her own affairs;
 - (3) Is absent without notice from 3 consecutive meetings of Trustees and is asked by a majority of the Trustees to resign;
 - (4) Resigns by written notice to the Trustees (but only if at least two Trustees will remain in office);
 - (5) Ceases to be a practicing member of the Islamic Faith;
 - (6) Is removed by a resolution passed by all the other Trustees after they have invited the views of the Trustee concerned and considered the matter in the light of any such views;
 - (7) Is seemed to be unsuitable to have contact with children or vulnerable adults in accordance with the vetting procedures operated by Telford and Wrekin Council for its employees and volunteers working on projects that it sponsors. The other Trustees will only act to remove a Trustee on these grounds following receipt of the written recommendation of either the Director of Education or of Social Services of Telford and Wrekin Council that a Trustee is considered unsuitable to continue to hold office. If a Trustee refuses to cooperate with the vetting procedures of Telford and Wrekin Council (at any stage) they shall be deemed to have resigned as a Trustee. However this will only take effect after an appropriate official of the Council has confirmed the failure to cooperate in writing and the Trustee has been given the opportunity to cooperate as required by Telford and Wrekin Council.
- 4.8 A retiring Trustee is entitled to an indemnity from the continuing Trustees at the expense of the Foundation in respect of any liabilities properly incurred during his/her Trusteeship.
- 4.9 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken by the Trustees.
5. PROCEEDINGS OF TRUSTEES
- 5.1 The Trustees must hold at least 2 meetings each year.

- 5.2 A quorum at a meeting of the Trustees is 2 Trustees.
- 5.3 A meeting may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all other participants.
- 5.4 The Chairman or if the Chairman is unable or unwilling to do so some other Trustee chosen by them presides at each meeting of the Trustees.
- 5.5 Except where otherwise provided in this Deed, every issue may be determined by a simple majority of the votes cast at a meeting of the Trustees but a resolution which is in writing and signed by all the Trustees is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature.
- 5.6 Except for the Chairman of the meeting, who has a second or 'casting vote', every Trustee has one vote on each issue.
- 5.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting of the Trustees.

6. ADMINISTRATIVE POWERS OF TRUSTEES

The Trustees have the following powers in the administration of the Foundation:

- 6.1 To appoint the Chairman, a Treasurer and any other honorary officers from among their number.
- 6.2 To delegate any of their functions to committees consisting of two or more persons appointed by them (but at least one member of every committee must be Trustees and all proceedings of committees must be reported promptly to the Trustees).
- 6.3 To make rules consistent with this Deed to govern their proceedings and proceedings of committees.
- 6.4 To make regulations consistent with this Deed to govern the administration of the Foundation including the use and application of the income, property and funds the operation of bank accounts and the commitment of funds.

7. BENEFITS TO TRUSTEES

- 7.1 The property and funds of the Foundation must only be used for promoting the Objects and do not belong to the Trustees.
- 7.2 No Trustee may receive any payment of money or other material benefit (whether direct or indirect) from the Foundation except:
- (1) Under clause[s] 3.15 (indemnity insurance) and 7.3 (contractual payments);
 - (2) Reimbursement of reasonable out-of-pocket expenses (including authorised hotel and travel costs) actually incurred in the administration of the Foundation;

- (3) Reimbursement of reasonable out-of-pocket expenses (including authorised hotel and travel costs) actually incurred in promoting the Foundation's religious objectives;
- (4) A reasonable rent or hiring fee for property let or hired to the Foundation;
- (5) An indemnity in respect of any liabilities properly incurred in the running of the Foundation (including the costs of a successful defence to criminal proceedings);
- (6) Payment to a company in return for services provided to the Foundation which the Trustee has no more than a 10 per cent shareholding;
- (7) In exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance).

7.3 A Trustee may not be an employee of the Foundation, but a Trustee or any connected person may enter into a contract with the Trustees to supply goods or services in return for a payment or other material benefit but only if:

- (1) The goods or services are actually required for the Foundation;
- (2) The nature and level of the benefit is no more than reasonable in relation to the value of the goods or services and is set at a meeting of the Trustees in accordance with the procedure in clause 7.4; and
- (3) Not more than half of the service Trustees are interested in such a contract in any one financial year.

7.4 Whenever a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or any committee, the Trustee must:

- (1) Declare an interest before the meeting or at the meeting before discussion on the matter begins;
- (2) Be absent from the meeting for that item unless expressly invited to remain in order to provide information;
- (3) Not be counted in the quorum during that part of the meeting;
- (4) Be absent during the vote and have no vote on the matter.

8. PROPERTY AND FUNDS

8.1 Funds which are not required for immediate use (including those which will be required for use at a future date) must be placed on deposit or invested in accordance with clause 3.12 until needed.

8.2 Investment and other property of the Foundation may be held:

- (1) In the name of the Trustees (or in the name of the Trustee body if incorporated under the Charities Act);

- (2) In the name of a nominee company acting under the control of the Trustees or of a financial expert acting under their instructions;
- (3) In the name of a Trust corporation as a holding Trustee for the Foundation which must be appointed (and may be removed) by deed executed by the Trustees;
- (4) In the case of land, by the Official Custodian for Charities under an order of the Commission or the Court.

8.3 Documents and physical assets may be deposited with any company registered or having a place of business in England and Wales as custodian.

8.4 Any nominee company acting under clause 8.2(2), and any Trust corporation appointed under clause 8.2(3) and any custodian appointed under clause 8.3 may be paid reasonable fees.

9. RECORDS & ACCOUNTS

9.1 The Trustees must comply with the requirements of the Charities Act as to the keeping of financial records, the audit or independent examination of the accounts and the preparation and Transmission to the Commission of:

- (1) Annual returns;
- (2) Annual reports; and
- (3) Annual statements of account.

9.2 The Trustees must maintain proper records of:

- (1) All proceedings at meetings of the Trustees;
- (2) All reports of committees; and
- (3) All professional advice obtained.

9.3 Accounting records relating to the Foundation must be made available for inspection by any Trustee at any time during normal office hours.

9.4 A copy of the Foundation's latest available statement of account must be supplied on request to any Trustee. A copy must also be supplied, within two months, to any person who makes a written request and pays the Foundation's reasonable costs incurred in providing them with this information.

10. AMENDMENTS

This Deed may be amended by supplemental deed on a resolution passed by half of the Trustees but:

10.1 No amendment is valid if it would make a fundamental change to the Objects or to this clause or destroy the charitable status of the Foundation.

10.2 Clause 7 may not be amended without the prior written consent of the Commission.

11. AMALGAMATION

11.1 The Trustees may at any time on a resolution passed unanimously by the Trustees transfer the assets and liabilities of the Foundation to another Foundation established for exclusively charitable purposes within, the same as or similar to the Objects. The vote must be taken at meeting where members of the public are free to attend and make their views of the matter known. At this meeting the Trustees will explain the reasons for their decision and answer reasonable questions that they may be asked about it.

11.2 On a transfer under clause 11.1 the Trustees must ensure that all necessary steps are taken as to:

(1) The transfer of land and other property;

(2) The novation (or renewal) of contracts of employment and the transfer of any pension rights; and

(3) The Trusteeship of any property held for special purposes.

12. DISSOLUTION

12.1 The Trustees may at any time decide by resolution passed by them unanimously that the Foundation is to be dissolved. The vote must be taken at a meeting where members of the public are free to attend and make their views on the matter known. At this meeting the Trustees will explain the reasons for their decision and answer reasonable questions that they may be asked about it. The Trustees will then be responsible for the orderly winding up of the Foundation's affairs.

12.2 After making provision for all outstanding liabilities of the Foundation, the Trustees must apply the remaining property and funds in one or more of the following ways:

(1) By transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;

(2) Directly for the Objects or charitable purposes within or similar to the Objects; or

(3) In such other manner consistent with charitable status as the Commission approve in writing in advance.

12.3 The land and buildings of the Telford Central Mosque located at 41 Tan Bank, Wellington, Telford TF1 1HW and the Telford Islamic Academy 88-90 King Street, Wellington, Telford TF1 1NZ may only be disposed of following a majority vote in favour of the proposal taken at a meeting where members of the public are free to attend and make their views on the matter known. At this meeting the Trustees will explain the reasons for their decision and what they propose to do with the sale proceeds. The Trustees will answer reasonable questions asked by members of the public about their decision and the reasons for it.

12.4 A final report and statement of account relating to the Foundation must be sent to the Commission.

13. INTERPRETATION

13.1 In this Deed the following expressions have the following meanings:

‘the Chairman’ means the person appointed by the Trustees to preside at their meetings;

‘the Charities Act’ means the Charities Act 1993;

‘Islamic Law’ means the contemporary interpretation of the sacred text of Islam contained in the Holy Qur’an;

‘the Foundation’ means the charitable Trust created and governed by this Deed;

‘Foundation Trustees’ has the meaning prescribed by section 97(1) of the Charities Act;

‘the Commission’ means the Foundation Commissioners for England and Wales;

‘connected person’ means any spouse, partner, brother, sister, child, parent, grandchild or grandparent of a Trustee, any firm of which a Trustee is a member or employee and any company of which a Trustee is a director, employee or shareholder having a beneficial interest in more than 10 percent of the share capital;

‘custodian’ has the meaning prescribed under section 17(2) of the Trustee Act 2000;

‘financial expert’ means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;

‘financial year’ means the Foundation’s financial year;

‘the First Trustees’ means the parties to the First Deed;

‘the Trustee’ means a Trustee of the Foundation and ‘Trustees’ means the Trustees of the Foundation and ‘the Trustees’ means the parties to this Deed;

‘firm’ includes a limited liability partnership;

‘fundamental change’ means such a change as would not have been within the reasonable contemplation of a person making a donation for the Foundation;

‘holding Trustee’ means an individual or corporate body responsible for holding the title to property but not authorised to make any decisions relating to its use, investment or disposal;

‘indemnity insurance’ means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty.

‘independent examination’ has the meaning prescribed by section 43(3)(a) of the Charities Act;

‘material benefit’ means a benefit which may not be financial but has a monetary value’

‘month’ means calendar month;

‘nominee company’ means a corporate body registered or having a place of business in England and Wales;

‘the Objects’ means the charitable objects set out in clause 2;

‘taxable trading’ means carrying on a trade or business for the principal purpose of raising funds, and not for the purpose of actually carrying out the Objects, the profits of which are normally liable to income or corporation tax;

‘trust corporation’ has the meaning prescribed by section 205(1)(xxviii) of the Law of Property Act 1925 but does not include the Public Trustee;

‘written’ or ‘in writing’ refers to a legible document on paper including a fax message. The Chairman may use his discretion to accept a document transmitted over the internet (including e-mail) provided that it is clearly printed and he is satisfied as to its authenticity;

‘year’ means calendar year.

- 13.2 References to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

Trust Deed of Shropshire Islamic Foundation

IN WITNESS of the above the parties have executed this Deed.

SIGNED AS A DEED BY

Name: Dr MOHAMED MUJAHID HUSSAIN QURESHI

Name: Mr SHAH SAWAR BHATTI

Name: Dr SHAUKAT ALI

End of Trust Deed