

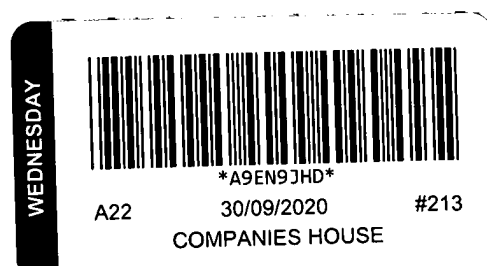
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REGISTERED COMPANY NUMBER: 04779177 (England and Wales)
REGISTERED CHARITY NUMBER: 1110104

BRITISH MUSLIM HERITAGE CENTRE
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Riley Moss Audit LLP
First Floor
184 Cheetham Hill Road
Manchester
M8 8LQ



BRITISH MUSLIM HERITAGE CENTRE

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to the Statement of Cash Flows	13
Notes to the Financial Statements	14 to 22
Detailed Statement of Financial Activities	23 to 24

BRITISH MUSLIM HERITAGE CENTRE

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Trustees	Mr N Mahmood OBE Dr H A Almajed Dr M Sarumi Mr M S Al-Astewani Dr G M O Al Kuwari Mrs S Alvi Mr S Thameembasha Dr H M Algammas Dr M Abdelrahman Mr N U Hassan (resigned 8.5.20) Dr A M Almajid Mr F Zaheer Dr A Al Matouq Mr A A O Kawooya Mr A A R Saif Dr A Al Dubayan Mr E M Chohan
Company secretary	Mr F Zaheer
Registered office	British Muslim Heritage Centre College Road Whalley Range Manchester M16 8BP
Registered company number	04779177 (England and Wales)
Registered charity number	1110104
Auditors	Riley Moss Audit LLP First Floor 184 Cheetham Hill Road Manchester M8 8LQ
Patrons	Lord Kamlesh Kumar Patel, Baron Patel of Bradford, OBE Lord Mohamed Itaf Sheikh, Baron Sheikh Lord-Lieutenant of Greater Manchester Sir Warren J. Smith Mohammed Afzal Khan MP
Bankers	The Royal Bank of Scotland 467 Wilmslow Road Withington Manchester M20 9AP

BRITISH MUSLIM HERITAGE CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. 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 Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Our objectives

The BMHC has developed aims and objectives that are set out below and reflect the ethos of the Centre. In terms of setting, reviewing and planning the BMHC's future activities, the Trustees have also considered the Charity Commission's general guidance on Public Benefit. Since its inception, BMHC has striven to live up to the values by being a place for all communities, providing a welcoming environment and working in partnership for the common good.

The vision of the British Muslim Heritage Centre is one of a trusting relationship between Muslims and the rest of society based on shared understanding and shared values.

Our mission is to achieve this through the development of collaborative and pioneering initiatives that promote and celebrates Muslim heritage and culture and making it accessible to all.

- The BMHC will be a centre for all communities - Muslim and non-Muslim
- We will strive to provide a welcoming environment for all and work in partnership for the common good.
- In focusing on Muslim heritage we mean: Muslim history, people and contribution to human civilization.

BRITISH MUSLIM HERITAGE CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

Strategic report

Achievement and performance

During this period, many programmes and projects have been successfully organised, demonstrating the widespread support from many local, national and international supporters and stakeholder's. The following are some of the highlights:

Honouring the Honourable:

This event took place on 12 February 2019. The event provided an opportunity to bring together over 600 members of the diverse communities to celebrate the achievement of individuals in the Northwest who contributed to develop the local people and groups.

The Chair Nasar Mahmood who received an OBE from Her Majesty for services to community relations in Manchester. Local businesses sponsored this event.

HRH The Prince of Wales visited the Centre on 3rd April 2019 This visit provided an opportunity to bring together all the communities and businesses.

At the end of his visit the Prince gave the following remarks:

"I have been so impressed by all the different initiatives and projects you run here (at the British Muslim Heritage Centre) and the difference you are making in terms of all the work you are doing in the community, but also in terms of linking all the other communities together. It is obviously of huge importance this dialogue and activity, and if I may say so I just wanted to congratulate you and say how much I admire all the work you are doing and how important your communities are here in this country."

The Mayor Andy Burnham, in partnership with Citizen UK and Mosaic visited the British Muslim Heritage Centre (BMHC). Prior to addressing the congregation after Friday prayers where he shared his solidarity with the Muslim community, he met with young Muslim women and men to hear about their lived experiences and concerns after the terrorist attack in Christchurch, New Zealand.

We also had an event on LGBT where Jewish, Muslim & Christian faith leaders were invited to give their views.

Community Iftaar event provided an opportunity for us to bring together Muslims and non-Muslims neighbours, partners and volunteers during holy month of Ramadan (the month of fasting). The event took place on Friday 10th May 2019.

Open days:

Once a month we had been holding an open day for the wider communities.

School visits:

There have been several visits from schools and colleges around Manchester. Children are given a guided tour around the BMHC and the activities which take place at the centre. An Islam awareness presentation is given to students which includes dispelling myths about Islam. Students are also given an opportunity to ask questions about Islam. Furthermore, BMHC has started to receive requests to visit schools to present Islam awareness sessions to students. BMHC also organise exhibitions for schools.

The 100 Stories of Sacrifice exhibition:

The exhibition, in its different formats, continues to attract wide interest. Visitor numbers to the main exhibition at the BMHC include school parties as well as the general public. The mobile version has proved popular, and has been touring schools, churches, local authority venues, Greater Manchester Police Head Quarters, and many more organisations have placed requests to host the exhibition. The online version is being accessed by people around the world.

BRITISH MUSLIM HERITAGE CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

Health Steering group is established to tackle the health inequalities. Dr Tariq Chohan as a volunteer is chairing this group.

Diabetes Project is developed to hold free diabetes checks at the centre on every other month.

Women Health and Wellbeing Project is to hear the voices of BAME women from all faith and non- faith backgrounds.

Heritage Academy & Activities for youth:

Several activities targeted for young people continues to be provided by the BMHC.

Heritage Academy:

This service was launched in 2016, providing young people with basic understating of Islam and other educational activities. The service attracts up to 40 children. The radio station has been on air for more than two years and is proving to be a hit with the local community.

Scouts:

With membership now approaching 100 children organised into four groups, this is proving to be a very popular activity.

Heritage Radio:

Currently broadcasts on 90.6 FM and online. As well as raising awareness and bringing communities together, the radio station is proving to be invaluable as a platform for encouraging volunteering and skill development for the community.

This year we switched from 1602 AM to 90.6FM. Heritage Radio's programming is predominantly serving the Muslim community in Whalley Range and surrounding areas in south Manchester.

Building and Refurbishment:

As well as protecting and enhancing the grade II* building, the Trustees continue to make progress with the refurbishment of the still derelict parts of the building. The entire west wing and other areas are undergoing significant work, which should make available more space for activities and income generation.

Jummah (Friday) prayers:

BMHC is using the marquee for the weekly prayer. The spacious venue enables a large gathering of Muslims of diverse background and ethnicities to offer prayer together. The increase in the popularity of this service has been evident in the matching increase in the attendance, which has steadily grown from about 300 to over 500 men and women attending each Friday. The Friday sermons are delivered in English, which has also proven very popular. These cover a broad range of topics and are delivered by vetted speakers.

Ramadan and Eid 2019:

We had a busy Ramadan again this year at the Centre. BMHC organised Taraweeh prayers, which have been very popular with people of all ages and backgrounds. Our Iftar (breaking the fast) dinners were attended by people of all ages. BMHC also organised special Iftar dinner for our neighbours. This was an opportunity to get to know the neighbours more closely. Our Eid prayers, both at the end of Ramadan and Eid al-Adha, were attended by over 2000 people of various ages and backgrounds, which is a testimony to its success.

Strategic report

Financial review

Financial Position

Full details of income and expenditure for the year are set out in the Statement of Financial Activities on page 10.

Donations remain the main source of funds while some revenue has been generated from letting parts of the building. The total unrestricted donations received for this financial year £294,159 (2018 £558,851). The organisation continues to improve income generation to support its increasing activities.

Risk management

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

Investment power

The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of the Charity. However, no such investments are presently held.

Reserves policy

The financial position is regularly reviewed by the trustees to ensure effective financial governance. This includes monitoring of the cash and bank balances by the trustees. BMHC has continued to invest significant sums into refurbishment and rebuilding its grade II* listed building. The building is central to the fulfilment of our vision. The refurbishment and rebuilding process has, thus, been a priority investment focus.

Given the scale of the rebuilding and refurbishment project and its continuous demand on funds, it is not possible to maintain reserves. Despite that, the trustees remain confident that given the strength of BMHC's balance sheet, with a combined value of £10,414,546 of net assets, a dependable network of donors sympathetic to BMHC's vision, and the introduction of new revenue streams, there is no need to build up a reserve. The trustees are confident the organisation will continue to be able to meet with its obligations as they fall due.

Future plans

We aim to build on the success of our various programmes and ventures introduced recently. The following are the highlights of our future plans:

- The refurbishment and building work will continue to be the primary focus of investment and efforts. The trustees consider the completion of this work as pivotal to the realisation of their vision. Furthermore, it is expected that the Centre's income will get a significant boost as more space becomes available.
- Programmes to benefit wider community: New programmes will be introduced for those wishing to gain an understanding of Islam. Short courses will be introduced for people wishing to enhance their knowledge about Quran.
- The marquee continues to be a useful revenue stream to help the organisation to carry out its charitable activities.

BRITISH MUSLIM HERITAGE CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

British Muslim Heritage Centre (BMHC, hereafter) was incorporated as a Limited company, company number 4779177, on 28 May 2003 as Manchester Muslim Heritage Centre. It was granted charitable status under Charities Act on 20 June 2005, (registration number 1110104). The charity's name was changed to British Muslim Heritage Centre on 31 August 2005.

BMHC is governed by a Memorandum and Articles of Association (amended by special resolutions). There are no specific restrictions imposed on how the Charity should operate to achieve its objective. However, the income and assets of the Charity must be applied solely for the purpose of achieving its objectives.

The Board of Trustees comprises members from diverse backgrounds. Trustees are selected on the basis of their skills, experience and networks, and the needs of the company. All members of the Board of Trustees work on voluntary basis only, and dedicate a considerable amount of time to the Charity's activities.

The power of appointing new Trustees is vested in the Trustees and there are informal procedures in place for the induction and training of new Trustees. Trustees are also encouraged to attend relevant briefings and courses.

The Board of Trustees deals with matters pertaining corporate strategy, key strategic objectives and targets. The Board also deals with major decision making including for the use of financial and other resources and the agreement of budgets for projects and operations. Furthermore, dealing with issues concerning staff appointments and ensuring ongoing viability of the Charity is also undertaken by the Board. The Board has established working groups, which generally comprises between one to two Trustees, advisors, Trust staff, and, where appropriate, consultants for each project. Additionally, Trustees are identified as mentors for different aspects of the Trust's activities.

The Chief Executive Officer (CEO), working in conjunction with Trustees, delegates much of the day-to-day running of the organisation to managers, who are the principle advisers to the Board. The managers take part in select Board meetings and, subject to the Board's approval, represent the Trust in meetings conducted outside the Centre. The Trust staffs has the authority to implement corporate strategy, make decisions, respond to consultations, allocate resources and commit expenditure in accordance with the strategic, budgetary and policy framework set by the Board. Furthermore, the contribution by a number of volunteers with variety of skills has continued to enhance the image of the organisation. Trustees' expenses during this year totalled £504 (2018 £2,063). The expenses relate to the travelling and accommodation of the Trustees to promote the BMHC's objectives. The Trustees received no remuneration in respect to their services to the Trust.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Trustees' responsibility statement

The trustees (who are also the directors of British Muslim Heritage Centre for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

BRITISH MUSLIM HERITAGE CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

Trustees' responsibility statement - continued

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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 auditors are 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 auditors are aware of that information.

Auditors

The auditors, Riley Moss Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 25/09/20 and signed on the board's behalf by:



Mr N Mahmood - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRITISH MUSLIM HERITAGE CENTRE

Opinion

We have audited the financial statements of British Muslim Heritage Centre (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRITISH MUSLIM HERITAGE CENTRE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel FCA (Senior Statutory Auditor)
for and on behalf of Riley Moss Audit LLP
First Floor
184 Cheetham Hill Road
Manchester
M8 8LQ

Date: 28/09/20

BRITISH MUSLIM HERITAGE CENTRE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019**

				Year Ended 31.12.19 Total funds £	Period 1.6.18 to 31.12.18 Total funds £
	Notes	Unrestricted funds £	Restricted fund £		
Income and endowments from					
Donations and legacies	2	344,389	1,977,684	2,322,073	936,334
Charitable activities	4				
Charitable activity		204,587	-	204,587	103,290
Other trading activities	3	3,204	-	3,204	516
Total		552,180	1,977,684	2,529,864	1,040,140
Expenditure on					
Raising funds	5	29,985	-	29,985	17,376
Charitable activities	6				
Charitable activity		699,550	-	699,550	389,313
Other		8,858	-	8,858	6,625
Total		738,393	-	738,393	413,314
NET INCOME/(EXPENDITURE)		(186,213)	1,977,684	1,791,471	626,826
Transfers between funds	16	1,826,565	(1,826,565)	-	-
Net movement in funds		1,640,352	151,119	1,791,471	626,826
Reconciliation of funds					
Total funds brought forward		8,623,076	-	8,623,076	7,996,250
Total funds carried forward		10,263,428	151,119	10,414,547	8,623,076

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

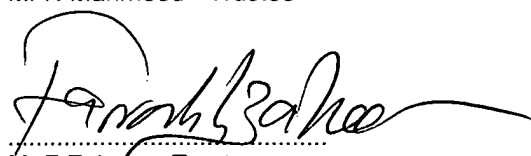
BRITISH MUSLIM HERITAGE CENTRE

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted fund £	2019 Total funds £	2018 Total funds £
Fixed assets					
Tangible assets	12	11,001,337	-	11,001,337	9,091,634
Current assets					
Debtors	13	261,908	-	261,908	254,251
Cash at bank and in hand		4,636	151,119	155,755	878,261
		<u>266,544</u>	<u>151,119</u>	<u>417,663</u>	<u>1,132,512</u>
Creditors					
Amounts falling due within one year	14	(1,004,453)	-	(1,004,453)	(1,601,070)
Net current assets		<u>(737,909)</u>	<u>151,119</u>	<u>(586,790)</u>	<u>(468,558)</u>
Total assets less current liabilities		<u>10,263,428</u>	<u>151,119</u>	<u>10,414,547</u>	<u>8,623,076</u>
NET ASSETS		<u>10,263,428</u>	<u>151,119</u>	<u>10,414,547</u>	<u>8,623,076</u>
Funds	16				
Unrestricted funds				10,263,428	8,623,076
Restricted funds				151,119	-
Total funds				<u>10,414,547</u>	<u>8,623,076</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25/09/20 and were signed on its behalf by:


Mr N Mahmood - Trustee


Mr F Zaheer - Trustee

The notes form part of these financial statements

BRITISH MUSLIM HERITAGE CENTRE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

		Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	1,253,745	1,341,618
Net cash provided by operating activities		1,253,745	1,341,618
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,995,251)	(447,429)
Net cash used in investing activities		(1,995,251)	(447,429)
Cash flows from financing activities			
New loans in year		19,000	-
Loan repayments in year		-	(20,000)
Net cash provided by/(used in) financing activities		19,000	(20,000)
Change in cash and cash equivalents in the reporting period		(722,506)	874,189
Cash and cash equivalents at the beginning of the reporting period		878,261	4,072
Cash and cash equivalents at the end of the reporting period		155,755	878,261

The notes form part of these financial statements

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Reconciliation of net income to net cash flow from operating activities

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,791,471	626,826
Adjustments for:		
Depreciation charges	85,548	56,775
(Increase)/decrease in debtors	(7,657)	13,782
(Decrease)/increase in creditors	(615,617)	644,235
Net cash provided by operations	<u>1,253,745</u>	<u>1,341,618</u>

2. Analysis of changes in net funds/(debt)

	At 1.1.19 £	Cash flow £	At 31.12.19 £
Net cash			
Cash at bank and in hand	878,261	(722,506)	155,755
	<u>878,261</u>	<u>(722,506)</u>	<u>155,755</u>
Debt			
Debts falling due within 1 year	(224,236)	(19,000)	(243,236)
	<u>(224,236)</u>	<u>(19,000)</u>	<u>(243,236)</u>
Total	<u>654,025</u>	<u>(741,506)</u>	<u>(87,481)</u>

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 the restricted grant is recognised when charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included. Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Support costs include governance costs. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and costs linked to the strategic management of the charity.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies - continued**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land and building	- 2% straight line on buildings only
Renovations in progress	- No depreciation is charged
Furniture and equipments	- 33% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors £417,663 (2018: £1,132,512). Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £1000,212 (2018: £1,596,829).

2. Donations and legacies

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Donations	294,160	558,850
Grants	1,977,684	377,484
Other Income	50,229	-
	<u>2,322,073</u>	<u>936,334</u>

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Donations and legacies - continued

Grants received, included in the above, are as follows:

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Grant	1,977,684	377,484

3. Other trading activities

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Shop income	3,204	516

4. Income from charitable activities

	Activity	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Income from hire of facilities	Charitable activity	182,955	92,315
Income from admission charges and programmes	Charitable activity	21,632	10,975
		204,587	103,290

5. Raising funds

Raising donations and legacies

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Staff costs	4,950	4,950
Rates and water	2,941	725
Light and heat	7,910	2,759
Telephone and computer	2,281	1,503
Bank charges	627	358
Advertising, printing and postage	2,996	5,248
Travelling costs	536	309
Legal and professional fees	7,744	1,524
	29,985	17,376

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Charitable activities costs

	Direct Costs (see note 7) £
Charitable activity	699,550

7. Direct costs of charitable activities

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Staff costs	294,267	146,948
Rates and water	11,766	2,902
Insurance	29,462	26,507
Light and heat	31,642	11,035
Telephone and computer costs	9,123	6,013
Postage and stationery	4,698	2,957
Sundries	1,610	1,823
Faith and worship	41,479	21,864
Events, exhibitions and festivals	129,117	72,755
Repairs and maintenance	31,362	9,490
Security costs	10,184	11,682
Travelling costs	3,035	1,754
Accountancy charges	1,045	492
Auditors' remuneration	5,460	5,652
Legal and professional fees	6,200	8,634
Bank charges	3,552	2,030
Depreciation	85,548	56,775
	<u>699,550</u>	<u>389,313</u>

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Depreciation - owned assets	85,548	56,775
Auditors' remuneration	5,460	5,460

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**9. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the period ended 31 December 2018.

Trustees' expenses

The charity reimbursed travelling and connected expenses amounting to £504 (2018: £2,063).

10. Staff costs

	Year Ended 31.12.19 £	Period 1.6.18 to 31.12.18 £
Wages and salaries	243,873	139,149
Social security costs	47,990	9,201
Other pension costs	7,354	3,548
	<u>299,217</u>	<u>151,898</u>

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

	Year Ended 31.12.19 11	Period 1.6.18 to 31.12.18 11
Administration and support	<u>11</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

11. Company limited by guarantee

British Muslim Heritage Centre is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Tangible fixed assets

	Freehold land and building £	Renovations in progress £	Furniture and equipments £	Fixtures and fittings £	Totals £
Cost					
At 1 January 2019	4,305,958	4,711,856	221,032	378,236	9,617,082
Additions	-	1,980,895	2,513	11,843	1,995,251
At 31 December 2019	4,305,958	6,692,751	223,545	390,079	11,612,333
Depreciation					
At 1 January 2019	155,498	-	190,303	179,647	525,448
Charge for year	11,119	-	4,986	69,443	85,548
At 31 December 2019	166,617	-	195,289	249,090	610,996
Net book value					
At 31 December 2019	4,139,341	6,692,751	28,256	140,989	11,001,337
At 31 December 2018	4,150,460	4,711,856	30,729	198,589	9,091,634

The charity owns the property at College road, Whalley Range, Manchester. In the opinion of the trustees, the cost of professionally valuing the property to include a value in the accounts outweighs the benefits to the users of the accounts. The property is insured for £21 million which is an estimate of their replacement cost. The renovation in progress related to the costs incurred in respect of the renovation of the property.

13. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	29,527	21,505
Other debtors	5,431	5,569
Amounts due from connected undertakings	226,950	227,177
	<u>261,908</u>	<u>254,251</u>

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Creditors: amounts falling due within one year

	2019	2018
	£	£
Other loans (see note 15)	243,236	224,236
Trade creditors	89,007	82,108
Social security and other taxes	4,241	4,241
Other creditors	662,509	662,509
Accruals and deferred income	-	622,516
Accrued expenses	5,460	5,460
	<u>1,004,453</u>	<u>1,601,070</u>

15. Loans

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>243,236</u>	<u>224,236</u>

16. Movement in funds

	At 1.1.19	Net movement in funds	Transfers between funds	At 31.12.19
	£	£	£	£
Unrestricted funds				
Unrestricted donations	8,623,076	(186,213)	1,826,565	10,263,428
Restricted funds				
Restricted donations	-	1,977,684	(1,826,565)	151,119
TOTAL FUNDS	<u>8,623,076</u>	<u>1,791,471</u>	<u>-</u>	<u>10,414,547</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted donations	552,180	(738,393)	(186,213)
Restricted funds			
Restricted donations	1,977,684	-	1,977,684
TOTAL FUNDS	<u>2,529,864</u>	<u>(738,393)</u>	<u>1,791,471</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

16. Movement in funds - continued

Comparatives for movement in funds

	At 1.6.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
Unrestricted funds				
Unrestricted donations	7,996,250	249,342	377,484	8,623,076
Restricted funds				
Restricted donations	-	377,484	(377,484)	-
TOTAL FUNDS	<u>7,996,250</u>	<u>626,826</u>	<u>-</u>	<u>8,623,076</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	662,656	(413,314)	249,342
Restricted funds			
Restricted donations	377,484	-	377,484
TOTAL FUNDS	<u>1,040,140</u>	<u>(413,314)</u>	<u>626,826</u>

Purposes of unrestricted funds:

The trustees are free to use unrestricted funds in accordance with charitable objectives.

Purposes of restricted funds:

Restricted fund received was to provide specific funding for the renovation of the property owned by the charity at College Road, Whalley Range, Manchester. The fund has been utilised for the restricted purpose and the assets were held for a general purpose. The value of the assets represented by this fund has been transferred to unrestricted funds.

17. Pension commitments

The amount recognised in income or expenditure as an expense in relation to defined contribution plan was (2018: £3,548).

BRITISH MUSLIM HERITAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2019

18. Related party disclosures

As at 31 December 2019, the charity owed £168,170 (2018: £150,170) to trustees and entities connected to the trustees. The loans are interest free, unsecured and payable on demand.

Mr Nasar Mahmood, Mr Farroukh Zaheer and Mrs Saima Alvi, trustees of British Muslim Heritage Centre are directors of BMHC Services Ltd, a company limited by guarantee, incorporated in England and Wales. British Muslim Heritage Centre is the member of BMHC Services Ltd. BMHC Services Ltd operates from the premises owned by British Muslim Heritage Centre and no rent (2018:£nil) was paid during the period. BMHC Services Ltd was set up for furthering the fundraising activities of British Muslim Heritage Centre with all future profits to be donated back to British Muslim Heritage Centre and during the year no donations (2018: £nil) was receivable from BMHC Services Ltd. During the year British Muslim Heritage Centre advanced sum of £nil in aggregate to BMHC services Ltd and at the balance sheet date the amount owed by BMHC Services Ltd to British Muslim Heritage Centre was £226,950 (2018: £227,177). This balance is interest free and repayable on demand.

19. Post balance sheet events

Since the year end, the Covid-19 pandemic has caused considerable disruption to the global economy. Notwithstanding that, Covid 19 is deemed to be a non-adjusting post balance sheet event. Having considered the impact of Covid 19 on the Charity, the trustees consider that there are no non-adjusting post balance events that require disclosure in these financial statements as a result of Covid -19.