

Charity registration number 1044601

Company registration number 2834081 (England and Wales)

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Ghulam Shabir Mr Faisal Ali Mr Zahey Sultani Mr Musa Bismillah Mr Mohsin Mansur Mr Mohammad Blal Khan Mr Yakiya Minhas Mrs Shehnaz Bismillah Mr Ferhan Azad Mrs Rabea Khan Mrs Taiba Khan Mr Shajan Ali Mr Afsar Hussain Mr Abdul Goffar Mr Ahmad Kherallah Mr Sajid Hussain Mr Mohammed Idris Khan Mr Munawar Mangara
Charity number	1044601
Company number	2834081
Principal address	Coventry Muslim Resource Centre Red Lane Coventry CV6 5EE
Registered office	Coventry Muslim Resource Centre Red Lane Coventry CV6 5EE
Independent examiner	Kaiser Nouman Nathan LLP Chartered Certified Accountants Unit D, 17 Plumbers Row London E1 1EQ
Bankers	Yorkshire Bank PLC 7-11 High Street Coventry CV1 5SB
Solicitors	Rotherham & Co 8-9 The Quadrant Coventry CV1 2EG

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

CONTENTS

	Page
Trustees report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 13

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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

The charity's objects are to establish, maintain and manage a community centre. In particular, to provide education, facilities of social welfare, and to relieve poverty.

The company was able to facilitate hall bookings and the provision of many activities including the operation of a nursery throughout the year.

In particular the centre's range of activities include: -

- Supporting members of the public through advice and support on welfare rights, immigration, employment, training, domestic crisis, travel, health and social services.
- Supporting learners through guidance, counselling, appraisals and childcare provision.
- Helping tutors by participating in moderation and evaluation exercises.
- Liaising with different voluntary/statutory organisations.
- Providing evening activities for martial arts, karate, badminton etc.
- Arranging male/female youth groups meetings, women's meetings, adult education classes, legal and benefits advice.
- Providing funeral services at subsidised costs.

Bearing in mind the public benefit objectives of the charity, the centre is used by many organisations either free of charge or at a nominal charge.

These organisations include: -

- Charities function dinners
- Councillors' surgeries
- Local residents' association
- Police meetings
- Different religious groups
- Various "ladies and children" groups

All persons supplying services to the charity are paid. There is no reliance on any volunteer.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Financial review

During the year the company continued to provide nursery services, funeral arrangement services, counselling, hall and room hire services for weddings, seminars, educational purposes etc. The company received grants of £158,701 (2021: £163,898) from the Coventry City Council in respect of nursery education. The company will continue to promote its activities whilst at the same time reducing its overhead expenditures. During the year there was a net deficit of £66,206 (2022: net surplus £17,500).

Fund raising activities during the year

The charity relies on grant aid from the donors identified in the accounts, whose support is valued. There have been no other fundraising activities.

Achievements and Performance benefiting the wider society

The charity's continued to provide nursery education, funeral arrangement services, counselling, hall and room hire services for weddings, seminars and educational activities.

Major exposed risks to charity and reviews and systems to mitigate them

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is constituted as a company limited by guarantee, registered under the Companies Act 2006. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

Coventry Muslim Resource Centre

Red Land, Coventry

CV6 5EE

Telephone 024-76637933 Email Address Coventry_Resource_Centre@hotmail.co.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Ahmed Ali (Resigned 3 January 2023)

Mr Ghulam Shabir

Mr Ashfaq Ahmed (Resigned 3 January 2023)

Mr Faisal Ali

Mr Zahey Sultani

Mr Mohammed Ilyas Deen (Resigned 3 January 2023)

Mr Musa Bismillah

Mr Ahmed Bismillah (Resigned 3 January 2023)

Mrs Waida Kausar (Resigned 3 January 2023)

Mr Ahmed Zaher Akrami (Resigned 3 January 2023)

Mr Mohsin Mansur

Mr Mohammad Blal Khan

Mr Yakiya Minhas

Mrs Shehnaz Bismillah

Mr Ferhan Azad

Mrs Rabea Khan

Mrs Taiba Khan

Mr Shajan Ali

Mr Afsar Hussain

Mr Abdul Goffar

Mr Ahmad Kherallah

Mr Sajid Hussain

Mr Mohammed Idris Khan

Mr Munawar Mangara

The existing trustees are responsible for the recruitment of new trustees but in doing so the trustees seek the views and recommendations of both elders and community leaders. The trustees believe this approach ensures that new trustees are respectable members of the faith and local communities and ensures that good relations are fostered between the Mosque and the people of the local community that we serve.

The charity strives to ensure opportunities and diversity in both the employment of staff and trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits. The trustees meet together as a body monthly and are responsible for all decisions taken in relation to the running of the Association and community facilities and the activities provided by the charity. To assist in the smooth running of the charity the trustees have set up a number of sub-committees that help them oversee certain aspects over the charity work. The day-to-day management of the Association and community facilities and projects are delegated to staff.

At present, the charity does not consider itself to be part of a wider network.

In accordance with parts 3 (xiii) and 3(xiv) of the company's memorandum, the company has loaned to the Edgwick Family and Education Centre Limited, a company registered number 04822416 whose objectives are similar to Coventry Muslim Community Association Limited. The balance due as at 31 March 2023 is £142,500 (2021: £142,500).

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees report was approved by the Board of Trustees.

Mr Ghulam Shabir
Trustee

Mr Mohammad Blal Khan
Trustee

2 October 2023

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

I report to the Trustees on my examination of the financial statements of The Coventry Muslim Community Association Limited (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Certified Accountant, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Nouman Shahzad

Member of Association of Chartered Certified Accountants

Kaiser Nouman Nathan LLP

Unit D, 17 Plumbers Row
London
E1 1EQ

Dated: 2 October 2023

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	158,701	-	158,701	163,898	-	163,898
Charitable activities	4	276,542	-	276,542	225,287	-	225,287
Total income		435,243	-	435,243	389,185	-	389,185
Expenditure on:							
Charitable activities	5	501,450	-	501,450	371,685	-	371,685
Net (outgoing)/incoming resources before transfers		(66,207)	-	(66,207)	17,500	-	17,500
Gross transfers between funds		42,476	(42,476)	-	42,476	(42,476)	-
Net (expenditure)/income for the year/							
Net movement in funds		(23,731)	(42,476)	(66,207)	59,976	(42,476)	17,500
Fund balances at 1 April 2022		276,202	295,974	572,176	216,226	338,450	554,676
Fund balances at 31 March 2023		252,471	253,498	505,969	276,202	295,974	572,176

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9		281,820		324,621
Current assets					
Debtors	10	142,500		142,500	
Cash at bank and in hand		86,560		109,950	
		<u>229,060</u>		<u>252,450</u>	
Creditors: amounts falling due within one year	11	<u>(4,911)</u>		<u>(4,895)</u>	
Net current assets			224,149		247,555
Total assets less current liabilities			<u>505,969</u>		<u>572,176</u>
Income funds					
Restricted funds			253,498		295,974
Unrestricted funds			252,471		276,202
			<u>505,969</u>		<u>572,176</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 2 October 2023

Mr Ghulam Shabir
Trustee

Mr Mohammad Blal Khan
Trustee

Company registration number 2834081

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

The Coventry Muslim Community Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Coventry Muslim Resource Centre, Red Lane, Coventry, CV6 5EE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	4% straight line (25 Years)
Plant and equipment	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2023 £	2022 £
Donations and gifts	158,701	163,898

4 Charitable activities

	2023 £	2022 £
Charitable donations	276,542	225,287

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	311,952	243,400
Depreciation and impairment	42,801	42,909
Nursery costs	16,948	14,294
Rent & rates	35,181	27,845
Light & heat	35,986	22,548
Telecommunications	1,894	2,155
Repairs & maintenance	16,349	6,865
Printing, postage & stationery	2,263	3,907
Sundry expenses	4,568	677
Travel & subsistence	252	350
Legal & Professional fee	22,209	4,716
Cleaning	2,823	2,019
Miscellaneous expenses	3,748	-
Donations to charities	4,476	-
	<u>501,450</u>	<u>371,685</u>
	<u>501,450</u>	<u>371,685</u>

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>20</u>	<u>16</u>
Employment costs	2023 £	2022 £
Wages and salaries	297,533	234,845
Social security costs	12,938	7,382
	<u>310,471</u>	<u>243,400</u>

There were no employees whose annual remuneration was more than £60,000.

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9 Tangible fixed assets

	Land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2022	1,179,338	142,202	1,321,540
At 31 March 2023	1,179,338	142,202	1,321,540
Depreciation and impairment			
At 1 April 2022	856,016	140,903	996,919
Depreciation charged in the year	42,476	325	42,801
At 31 March 2023	898,492	141,228	1,039,720
Carrying amount			
At 31 March 2023	280,846	974	281,820
At 31 March 2022	323,322	1,299	324,621

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	142,500	142,500

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	908	3,055
Accruals and deferred income	4,003	1,840
	4,911	4,895

THE COVENTRY MUSLIM COMMUNITY ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	281,820	-	281,820	324,621	-	324,621
Current assets/(liabilities)	(29,349)	253,498	224,149	(48,419)	295,974	247,555
	<u>252,471</u>	<u>253,498</u>	<u>505,969</u>	<u>276,202</u>	<u>295,974</u>	<u>572,176</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2022 - 2023).