

**MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Dr Akber Mohamedali
Mr H R Khan
Dr M Shafi

Charity number

1084651

Accountants

Jaffer & Co, Chartered Accountants
32 Woodstock Grove
London
W12 8LE

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

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MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

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 Charities Act 2011 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 principal purpose of the foundation are, by such means as are charitable, throughout the world and more particularly in the United Kingdom

- The advancement of the faith and religious practices of Islam.
- The advancement of education for the public benefit concerning the teaching and religion of Islam.
- The relief of poverty, sickness, distress and suffering of any person who are in need irrespective of their nationality, race, ethnicity, origin and religious belief.

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

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

During the year 2020 MCBCF supported the following projects:

Media Monitoring Project:

MCBCF supported the setting up of the Centre for Media Monitoring (CfMM) - a Muslim Council of Britain project in 2018 to promote fair, accurate and responsible reporting of Muslims and Islam in the media. The Project has continued to develop further in the three main areas: Advocacy, Media Monitoring and Community Engagement & Empowerment.

Despite the Coronavirus pandemic, 2020 proved to be an equally productive and successful year for the Centre for Media Monitoring. They released a groundbreaking report "How The British Media Reports Terrorism" and held a successful panel discussion with media industry professionals including Jon Snow (C4), Frank Gardener (BBC Security Correspondent), Rohit Kachroo (ITN Security Editor), Lizzie Dearden (Independent Security Correspondent) and Dr Jessica White (Royal United Services Institute).

They also submitted oral and written evidence to various consultations including IPSO's Editors Code Review, the House of Lords Select Committee Enquiry into the "Future of Journalism", and had their submissions published in the APPG Religion in the Media report into "Religious Literacy", and in the APPG on British Muslim's Report on COVID 19 on how the British media reported on Muslims and Islam during the pandemic.

Regarding community empowerment work, they ran a successful "Islamophobia in the Media", "Press Release Writing" and "Radio & Television Interview" skills workshops online and had unprecedented numbers attending from all parts of the country. They now have an active community volunteer group who are trained to monitor the media, submit complaints and respond to action alerts. The second "Meet The Media" event was also held online with community organisations holding editors from the BBC, ITV, Sky, The Mirror, The Times and The Express to account on their reporting of Muslims and Islam as well as building bridges and creating trust.

LMR project

The MCB led a research study mapping local membership-based umbrella organisations in Muslim communities across the UK who engage with their local authority to represent the views of their members, typically mosques and other local Muslim community groups, as well as sharing best practice at a town, city, borough or county level.

OMOF 2020

The annual Our Mosques Our Future conference took place virtually in November 2021 in lieu of the pandemic. The theme was Error in formula ->#BeyondCOVID<- and sessions covered a wide variety of topics from taking mosques digital to governance in a pandemic. The online conference was made possible thanks to generous sponsorship from the Euro Quality Foundation amongst others.

Elderly Care Project

Engagement with Age UK: The MCB's Research committee (ReDoc) embarked on a survey to document among elderly Muslims to document experiences of elderly Muslims during the pandemic - with a view to publish a joint report.

Research Collaboration with Marie Curie: The Research & Documentation Committee (ReDoc) of the MCB has collaborated with Marie Curie to record the experiences of people living with (or those who have supported someone with) a serious illness or life limiting conditions during the COVID 19 pandemic. A pilot study in preparation for a UK-wide study is in progress.

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The results of the charities activities are shown on pages 5 & 6.

The Charity's main objective is the advancement of the faith and religious practices of Islam. All the activities including the fund Digital Panels Partnership contribute in achieving this main objective. All the income from this division assists the Charity in meeting its main charitable objective of providing services to the community at large.

During the year, donations made by donors of The Muslim Council of Britain Charitable Foundation totalled £250,796 (2019 - £157,269) for the year.

The incoming resources related to unrestricted funds increased by £105,802 to £116,523 (2019 - £10,721). The resources expended on these activities increased by £31,285 to £34,414 (2019 - £3,129) for the year.

The incoming resources related to restricted funds increased by £57,391 to £212,817 (2019 - £155,426) The resources expended on these activities increased by £62,241 to £216,381 (2019 - £154,140) for the year,

The Charity derives its income from benevolent donors via The Muslim Council of Britain and events held by them. Donations are also received through leadership courses organised by the charity. It is the intention of the Trustees to utilise the surplus in unrestricted funds for future projects.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three- and six-month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees 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.

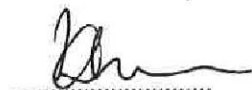
Structure, governance and management

Dr Akber Mohamedali

Mr H R Khan

Dr M Shafi

The Trustees' report was approved by the Board of Trustees.



Mr H R Khan

Trustee

Dated: 27/10/2021



Dr M Shafi

Trustee

Dated: 27/10/2021

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TUSTEES OF MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

I report to the Trustees on my examination of the financial statements of Muslim Council of Britain Charitable Foundation (the Charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of 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

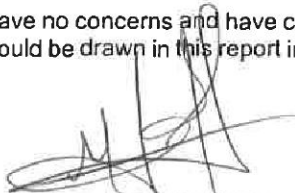
Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I have completed my examination without carrying out an audit. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Jaffer & Co, Chartered Accountants

32 Woodstock Grove
London
W12 8LE

Dated:

27/10/2021

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Donations and legacies	2	47,460	212,187	259,647	166,147
Other trading activities	3	69,063	-	69,063	-
Total income		<u>116,523</u>	<u>212,187</u>	<u>328,710</u>	<u>166,147</u>
<u>Expenditure on:</u>					
Cost of Generating funds	4	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Charitable activities	5	<u>34,414</u>	<u>216,382</u>	<u>250,796</u>	<u>157,268</u>
Governance costs	6	<u>17,682</u>	<u>-</u>	<u>17,682</u>	<u>35,261</u>
Loss – investment write off		<u>-</u>	<u>-</u>	<u>-</u>	<u>115,200</u>
Total resources expended		<u>77,096</u>	<u>216,382</u>	<u>293,478</u>	<u>307,729</u>
Net income/(expenditure) for the year/ Net movement in funds		<u>39,427</u>	<u>(4,195)</u>	<u>35,232</u>	<u>(141,583)</u>
Fund balances at 1 January 2020		<u>43,180</u>	<u>20,047</u>	<u>63,227</u>	<u>204,808</u>
Fund balances at 31 December 2020		<u>82,607</u>	<u>15,852</u>	<u>98,459</u>	<u>63,225</u>

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

All income and expenditure derive from continuing activities.

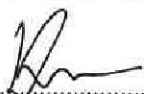
MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	9	49,208		38,209	
Cash at bank and in hand		56,450		32,218	
		<u>105,658</u>		<u>70,427</u>	
Creditors: amounts falling due within one year	10	(7,200)		(7,200)	
Net current assets			<u>98,458</u>		<u>63,227</u>
Income funds					
Restricted funds	11	30,707		30,708	
Unrestricted funds	12	67,752		32,518	
			<u>98,458</u>		<u>63,227</u>
			<u>98,458</u>		<u>63,227</u>

The financial statements were approved by the Trustees on 27/10/2021



Mr H R Khan
Trustee



Dr M Shafi
Trustee

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 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)". 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.5 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:

Freehold land and buildings	10 years straight line method
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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 net income/(expenditure) for the year.

1.6 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.

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.

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020	2020	2020	2019
	£	£	£	£
General Donations	43,778	-	43,778	4,429
Just Giving Donations	3,682	-	3,682	6,292
Visit My Mosque	-	4,850	4,850	-
OMOF Our Mosques Our Future & LMR Project	-	11,400	11,400	-
Media Monitoring Project	-	193,073	193,073	89,943
Women in Mosques Development	-	-	-	14,993
Elderly Care Project	-	2,864	2,864	9,500
Charities Aid Foundation	-	-	-	40,990
	<u>47,460</u>	<u>212,187</u>	<u>259,647</u>	<u>166,147</u>

3 Other trading activities

	Unrestricted funds	Total
	2020	2019
	£	£
Digital Panel Partnership	<u>69,063</u>	<u>-</u>

Other trading income is derived from advertising panels cosponsored by affiliate members of the Muslim Council of Britain.

4 Cost of Generating Funds

	Unrestricted funds	Total
	2020	2019
	£	£
Purchase of advertising panels	<u>25,000</u>	<u>-</u>
	<u>25,000</u>	<u>-</u>

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Total 2020	Total 2019
	£	£
Media Monitoring Project	193,074	89,970
Mass Gathering and Global Health Conference	-	4,293
Charities Aid Foundation	-	34,665
Women in Mosques Development	-	14,993
Visit My Mosque	4,850	-
OMOF Our Mosques Our Future & LMR Project	11,400	-
Elderly care Project	7,058	10,219
General Donation	34,413	3,128
Just Giving Donation	-	-
	<u>250,795</u>	<u>157,268</u>

6 Governance cost

	2020	2019
	£	£
Administrative expenses	12,712	28,000
Computer expenses	125	62
Light & Heat	3,432	3,305
Sundry		1,774
Insurance	214	319
Accountancy	1,200	1,800
	<u>17,683</u>	<u>35,260</u>

Administrative expenses relate to service charge fees payable to Muslim Council of Britain in respect of rental of premises, maintenance costs and all other associated expenses related to the property.

7 Trustees

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

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2020 £	2019 £
In respect of:		
Property, plant and equipment	-	115,200

9 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	14,530	14,531
Other debtors	34,678	23,678
	<u>49,208</u>	<u>38,209</u>

Other debtors include loans provided to the Muslim Council of Britain which is repayable on demand.

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	<u>7,200</u>	<u>7,200</u>

MUSLIM COUNCIL OF BRITAIN CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Chaplaincy Project	14,556	-	-	-	14,556
Leadership Project	1,991	-	-	-	1,991
Mass Gathering and Global Health Conference	7,836	-	-	-	7,836
Charities Aid Foundation	6,325	-	-	-	6,325
Media Monitoring Project	-	193,073	(193,073)	-	-
Visit My Mosque	-	4,850	(4,850)	-	-
OMOF Our Mosque our Future & LMR Project	-	11,400	(11,400)	-	-
Elderly care Project	-	2,864	(7,058)	4,194	-
	<u>30,708</u>	<u>212,187</u>	<u>(216,381)</u>	<u>4,194</u>	<u>30,708</u>

12 Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
General Donation	4,429	43,778	(52,096)	27,578	23,689
Just Giving	28,091	3,682	-	(31,773)	-
Digital Panel Partnership	-	69,063	(25,000)	-	44,063
	<u>32,520</u>	<u>116,523</u>	<u>(77,096)</u>	<u>(4,195)</u>	<u>67,752</u>

The Trustees of the Charity have approved the transfer of the funds in relation to the Just Giving fund to the General Donation fund.