

**MUSLIM CULTURAL SOCIETY OF BIRMINGHAM**

**790 WASHWOOD HEATH ROAD  
BIRMINGHAM B8 2JG**

**REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**MUSLIM CULTURAL SOCIETY OF BIRMINGHAM**

**790 WASHWOOD HEATH ROAD  
BIRMINGHAM B8 2JG**

**CONTENTS**

|                                   | <b>Page</b> |
|-----------------------------------|-------------|
| Charity information               | 1           |
| Trustees' Report                  | 2-3         |
| Accountants Report                | 4           |
| Statement of Financial Activities | 5           |
| Balance Sheet                     | 6           |
| Notes to the accounts             | 7           |

## **SIGNIFICANT INFORMATION**

### **Principal office**

MUSLIM CULTURAL SOCIETY OF BIRMINGHAM  
790 Washwood Heath Road  
Birmingham B8 2JG

Registered Charity No 1099763

### **Officers**

The charity trustees during the year ended 31 March 2021 were

|                        |                      |
|------------------------|----------------------|
| Adeel Tassawar         | Chairman and Trustee |
| Maulana Arshad Mahmood | Trustee              |
| Haji Mohammed Maskeen  | Trustee              |

### **Bankers**

TSB  
Small Heath  
Birmingham

**TRUSTEES' REPORT FOR THE YEAR ENDED  
31 MARCH 2021**

The Trustees present their report for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies on page 7 and comply with the charity's trust deed and applicable law.

The charity was established by the constitution and the charity is registered with the Charity Commission in England (No:1099763)

**OBJECTS**

The objects of the charity are to make adequate charitable provisions to benefit Muslim adults and children. To advance education of the Muslim community and provide resources in the interest of social welfare.

**ACTIVITIES AND PROGRESS**

The Muslim Cultural Society of Birmingham will provide public benefit through its programmes of prayers and celebration of the key events in the Islamic Calendar. Activities will be open to everyone in the community. The Cultural centre will provide Congregational Prayers, Friday Sermons and Eid prayers. The cultural centre has now arranged facilities for ladies to participate and attend the important gatherings and activities.

During the year Trustees continue to raise finance from local community for continuation of Mosque to provide public benefit. Construction of the Mosque is almost completed during the year. Continue to maintain Minaret, Lift and damp proofing among others. The trustees have now got plans to improve the existing car parking facilities and complete the basement. This work was continued during the year. Wall fencing work was almost completed during the year. Ground floor hall was fully refurbished and prayers gathering is organised there. Toilets and Ablution facilities are also completed for the benefit of public coming to mosque.

During the year regular prayer facilities were opened and outside scholars were invited for speeches and religious lectures and not only the local community but Muslim community in general is now benefiting from the project.

**FINANCE**

During the period the charity raised funds by collecting donations and interest free friendly loans from the community members. The charity managed to repay some private loans but had to replace with new loans in order to complete the project.

**TRUSTEES' RESPONSIBILITY FOR THE ACCOUNTS**

Charity law requires the trustees of the Association to prepare statements of accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing those financial statements, the trustees are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent
- .- to prepare the financial statements in accordance with the methods and principles set out in

**TRUSTEES' REPORT FOR THE YEAR ENDED  
31 MARCH 2021 (continued)**

- the Statement of Recommended Practice Accounting and Reporting by Charities and to state whether or not the accounts have been prepared in accordance with that statement and applicable accounting standards;
- 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 proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Association, and to enable them to ensure that any statements of account comply with the requirements of the Charity (Accounts and Reports) Regulations 2000. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities

**COVID19 IMPACT**

As with many organisations, we have been following Government Guidance since March 16<sup>th</sup> 2020 to minimise the risk to the public, our staff, volunteers and members.

Trustees have carried out the assesemt and are confident that the charity has enough resources to continue and hence accounts are prepared on going concern basis.

**RISK MANAGEMENT**

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the project , and are satisfied that systems are in place to mitigate our exposure to major risks.

**RESERVES POLICY**

The Reserve Fund represents unrestricted funds. The Trustees aim to maintain sufficient reserves so as to give flexibility to cover temporary timing differences for donations received, adequate working capital for core costs and which allow them to respond quickly to the needs of the Trust.

On behalf of the Managing Committee

..... Chairman

12 January 2022

**Independent Examiner's Report to the Trustees of  
Muslim Cultural Society of Birmingham**

I report on the accounts of Muslim Cultural Society of Birmingham for the year ended 31 March 2021 which are set out on pages 5 to 9

**Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records or
3. the accounts 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 accounts to be reached.

**MAHMOOD AHED  
CHARTERED CERTIFIED ACCOUNTANT**

12 January 2021

**784 Alum Rock Road  
Ward End  
Birmingham B8 2TE**

**MUSLIM CULTURAL SOCIETY OF BIRMINGHAM**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

|  |   | <b>2021</b>               | <b>2020</b>               |
|--|---|---------------------------|---------------------------|
| <b>Incoming resources</b>                      |   | <b>Unrestricted funds</b> | <b>Unrestricted funds</b> |
|  |   | <b>£</b>                  | <b>£</b>                  |
| <b>Income and endowments from</b>              |   |                           |                           |
| <i>Donations and legacies</i>                  |   |                           |                           |
| Donations received                             | 2 | 96,062                    | 76,173                    |
| Other income                                   | 2 | 17,640                    | 7,840                     |
|  |   | -----                     | -----                     |
| <b>Total incoming resources</b>                |   | 113,702                   | 84,013                    |
|  |   | =====                     | =====                     |
| <b>Charitable expenditure</b>                  |   |                           |                           |
| <b>Expenditure on</b>                          |   |                           |                           |
| <i>Expenditure on charitable activities</i>    |   |                           |                           |
| Teaching class books                           |   | 3,015                     | -                         |
| Employees cost                                 |   | 16,250                    | 21,270                    |
| Promotion and advertising                      |   | -                         | 612                       |
| Annual conference expenses                     |   | 140                       | 3,499                     |
| <i>Governance and support cost</i>             |   |                           |                           |
| Rates and water                                |   | 2,016                     | 1,497                     |
| Heat and light                                 |   | 8,657                     | 7,677                     |
| Telephone                                      |   | 513                       | 451                       |
| Print, post and stationery                     |   | -                         | 565                       |
| Repairs and renewals                           |   | 5,984                     | 2,811                     |
| Cleaning and hygiene                           |   | 530                       | 315                       |
| Accountancy fees                               |   | 500                       | 500                       |
| Bank charges                                   |   | 383                       | 742                       |
| Depreciation - property                        |   | 7,976                     | 7,976                     |
| - Plant and equipment                          |   | 1,257                     | -                         |
|  |   | -----                     | -----                     |
| <b>Total</b>                                   |   | 47,221                    | 47,915                    |
|  |   | =====                     | =====                     |
| <b>Net incoming resources before transfers</b> |   | 66,481                    | 36,098                    |
| <b>Fund balance brought forward</b>            |   | 995,982                   | 959,884                   |
|  |   | -----                     | -----                     |
| <b>Fund balance carried forward</b>            | 5 | 1,062,463                 | 995,982                   |
|  |   | =====                     | =====                     |

The notes on pages 7 to 9 form part of these accounts

# MUSLIM CULTURAL SOCIETY OF BIRMINGHAM

## BALANCE SHEET AS AT 31 MARCH 2021

|   |       |           | 2021      |           | 2020      |
|---|-------|-----------|-----------|-----------|-----------|
|   | Notes | £         | £         | £         | £         |
| <b>FIXED ASSETS</b>                                   |       |           |           |           |           |
| Tangible assets                                       | 3     |           | 1,548,240 |           | 1,549,093 |
| <b>CURRENT ASSETS</b>                                 |       |           |           |           |           |
| Cash at bank and in hand                              |       | 28,297    |           | 10,908    |           |
|   |       | -----     |           | -----     |           |
|   |       | 28,297    |           | 10,908    |           |
| <b>CREDITORS:</b> Amounts falling due within one year | 4     | (514,074) |           | (564,019) |           |
|   |       | -----     |           | -----     |           |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       |           | (485,777) |           | (553,111) |
|   |       |           | -----     |           | -----     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       |           | 1,062,463 |           | 995,982   |
|   |       |           | =====     |           | =====     |
| <b>FUNDS</b>  |       |           |           |           |           |
| General funds   | 5     |           | 1,062,463 |           | 995,982   |
|   |       |           | -----     |           | -----     |
|   |       |           | 1,062,463 |           | 995,982   |
|   |       |           | =====     |           | =====     |

Approved by the board of trustees on 12 January 2022 and signed on their behalf by:

..... Chairman/ Trustee

The notes on pages 7 to 9 form an integral part of these accounts.



**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**Summary of significant accounting policies**

**1. Basis of preparation**

**1.1 Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)-(Charities SORP (FRS 102) the financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Charities Act 2011

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accountancy policy notes. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Association.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS102 Section 1A

The financial statements are prepared under the historical cost convention After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements. There are no material uncertainties casting doubt on going concern. The financial statements are presented in sterling which is the functional currency of the charity.

The charity constitutes a public benefit entity as defined by FRS 102.

**1.2 Income**

**Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

**Grants and donations**

Grants and donations are only included in the SoFA when the general income recognition criteria are met. Revenue grants are credited to the income and expenditure account as received, unless related to a specific period, when it is placed in a restricted funds until it is used.

**1.3 Gifts in kind**

The charity receives the benefit of work carried out by volunteers, and receives the use of facility and equipment without charge. No value is placed on these items, where the benefit extends over several periods, in which case they are valued and included in the balance sheet at a reasonable valuation.

**1.4 Taxation**

As a registered charity, the company benefits from Rates relief and is generally exempt from Income tax and Capital Gains Tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1.5 Depreciation**

During the construction period no depreciation was charged but now the trustees consider that it is appropriate to charge depreciation on property.

Depreciation- freehold land- 1/2% straight line.

No depreciation is provided on freehold land

**1.6 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation

|                               | <b>2021</b> | <b>2020</b> |
|-------------------------------|-------------|-------------|
|                               | <b>£</b>    | <b>£</b>    |
| <b>2. DONATIONS AND GIFTS</b> |             |             |
| Donations received            | 96,062      | 76,173      |
| Other income                  | 17,640      | 7,840       |
|                               | =====       | =====       |

**3. TANGIBLE FIXED ASSETS**

|                       | <b>Freehold<br/>land incl.<br/>Cost<br/>£</b> | <b>Plant &amp;<br/>equipments<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|---|---|--------------------|
| <b>Cost</b>           |   |   |                    |
| As at 31/3/20         | 1,595,193                                     | -                                       | 1,595,193          |
| Additions             | -   | 8,380                                   | 8,380              |
|                       | -----   | -----                                   | -----              |
| As at 31/3/21         | 1,595,193                                     | 8,380                                   | 1,603,573          |
|                       | =====   | =====                                   | =====              |
| <b>Depreciation</b>   |   |   |                    |
| As at 31/3/20         | 46,100  | -                                       | 46,100             |
| Charge for year       | 7,976   | 1,257                                   | 9,233              |
|                       | -----   | -----                                   | -----              |
| As at 31/3/21         | 54,076  | 1,257                                   | 55,333             |
|                       | =====   | =====                                   | =====              |
| <b>Net book value</b> |   |   |                    |
| At 31/3/21            | 1,541,117                                     | 7,123                                   | 1,548,240          |
|                       | =====   | =====                                   | =====              |
| At 31/3/20            | 1,549,093                                     | -                                       | 1,549,093          |
|                       | =====   | =====                                   | =====              |

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2021**

|  | <b>2021</b> | <b>2020</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| <b>4. CREDITORS: Amounts falling due within one year</b> |             |             |
| Accrued charges  | 4,074       | 500         |
| Friendly loans   | 510,000     | 563,519     |
|  | -----       | -----       |
|  | 514,074     | 564,019     |
|  | =====       | =====       |

Friendly loans are unsecured, interest free loans given by the community members and repayable at mutual agreements.

|                       |                           |                           |
|-----------------------|---------------------------|---------------------------|
| <b>5. FUNDS</b>       | <b>2021</b>               | <b>2020</b>               |
|                       | <b>£</b>                  | <b>£</b>                  |
|                       | <b>Unrestricted funds</b> | <b>Unrestricted funds</b> |
| Opening balance       | 995,982                   | 959,884                   |
| Incoming resources    | 113,702                   | 84,013                    |
| Outgoing resources    | (47,221)                  | (47,915)                  |
|                       | -----                     | -----                     |
| Closing balance       | 1,062,463                 | 995,982                   |
|                       | =====                     | =====                     |
| Represented by        |                           |                           |
| Tangible fixed assets | 1,548,240                 | 1,549,093                 |
| Net current assets    | (485,777)                 | (553,111)                 |
|                       | -----                     | -----                     |
|                       | 1,062,463                 | 995,982                   |
|                       | =====                     | =====                     |

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. There is no formal policy of transfer between funds or on the allocation of funds to designated funds.

**6 GOING CONCERN**

As explained in the Trustees Report although the disruption caused by Coronavirus and lower expected income, Trustee's are satisfied that the charity will be able to continue its activities possibly at lower scale when it is allowed to reopen. There should also be no impact on charities reserve policy.