

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 2021

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

BRITISH MUSLIM HERITAGE CENTRE

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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BRITISH MUSLIM HERITAGE CENTRE

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	Mr N Mahmood OBE Dr H A Almajed Dr M Sarumi Mr M S Al-Astewani Mrs S Alvi Mr S Thameembasha Dr H M Algammas Dr M Abdelrahman 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 Mr M U Saleem (appointed 29.11.21)
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	Xeinadin Audit Ltd (Statutory Auditor) 36 Old Jewry London EC2R 8DD
Patrons	Lord Kamlesh Kumar Patel, Baron Patel of Bradford, OBE Lord Mohamed Iltaf 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 2021

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 2021. 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 is a centre for all communities - Muslim and non-Muslim
- We 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.

Strategic report

Achievement and performance

Policy and Leadership

We are pleased to report that we have built on our input into policy and links with senior leaders that influence policy. The reason for this important area of work is to ensure that the Muslim community voice is heard, and their issues are taken on board. Examples include:

Policy conversation with The All-Parties Parliamentary Group (APPG) on British Muslims the meeting entitled: 'A Dialogue with The Hon. Paul Bristow MP' was held at the BMHC on 28th May 2021. It was a collaborative effort to share and discuss valuable ideas and concerns with local, regional, and national participants and organisations to the common challenges of human rights violations, Islamophobia, discrimination, inequality, xenophobia, and racism. The Meeting was an opportunity for the 30 participants to introduce themselves, their projects, and the programmes they are involved with and ask the three Parliamentarians, namely Paul Bristow MP, James Daly MP, and Afzal Khan MP some challenging questions.

A diverse range of professionals and organisations participated in the meeting to discuss the challenges facing British Muslims in contemporary society and different ways of improving the situation of British Muslims. The APPG on British Muslims, currently chaired by the Hon. Paul Bristow MP aims to work with British Muslims and encourage collaborative projects to enhance the public's appreciation of the positive contribution that British Muslims make to society.

The purpose of the APPG is to effectively bring about positive changes in the way British Muslims are perceived and treated (for example in the media) through intergovernmental and non-governmental bodies. The meeting was an excellent start to the BMHC's long term objective of strategic participation and commitment to building a network of Parliamentarians to continue ongoing collaboration to educate others on BMHC's initiatives, goals, and objectives. The participants indicated that they wanted to play an ongoing active role in BMHC's endeavour and goal to bring about a better understanding of Islam and British Muslims. It was agreed that the APPG on British Muslims will meet as an entire group at least once a year at the BMHC.

Greater Manchester Strategy (GMS). Our Chief Executive, a member of the Race Equality Panel, Maqsood Ahmad chaired one of the engagement sessions. The GMS is the overarching strategic document for the whole of the city region, providing a shared vision, direction, and actions to be delivered. Work is now underway to refresh the Greater Manchester Strategy. We hope the Muslim community will continue to proactively engage with these strategies and support our partners to implement the recommendations.

Greater Manchester Police: Achieving Race Equality Report. Achieving Race Equality report was published in July 2021 and provided a broad overview and analysis of differences in the experiences of individuals and communities using quantitative and qualitative data to understand the extent of any disproportionality. The report focuses on several areas from the stop and search to recruitment, retention and progression of staff facing inequalities and racism within Greater Manchester. We hope you have read our press statement and urge you to become fully engaged in helping the GMP improve the number of areas highlighted in the report which have had an adverse impact on African, Caribbean, and Asian and Muslim communities.

Chief Constable of Greater Manchester: Stephen Watson QPM, - The Board of trustees and staff welcomed the new Chief Constable of Greater Manchester, Stephen Watson QPM and had the opportunity to have strategic discussions covering number of policy areas from tackling hate crime, representation of Muslims within the GMP to how we can work together by developing good practice such as the South Manchester pilot project designed to support, and tackle hate crimes. The Chief Constable has a very clear purpose in relation to equality and is committed to inclusion and to fair and effective policing across Greater Manchester.

The Chief Constable spoke on the highly controversial subjects of racism in the Police Service and to radicalisation of certain youth groups within the British Muslim Community and to the possible solutions to tackle extremism-related incidents.

He said: "I am humbled by the kindness and generosity with which I have been received here today, and I take away the proposals that have been made by highly knowledgeable and experienced leaders."

Muslim Council of Britain: Zara Mohammed, Secretary General, We were pleased to have a very constructive strategic dialogue with the Muslim Council of Britain, Zara Mohammed: The newly elected Secretary General. The discussions focused on how both organisations can strategically work together to promote cohesion and better understanding between all of our diverse communities. Zara's visit coincided with Armistice Day whereby a one-minute silence was duly observed for all those who served in the armed forces and for all those that made the ultimate sacrifice in the two Great Wars.

Zara Mohammed said, "I would like to thank everyone at the British Muslim Heritage Centre for giving me a warm welcome, for being so hospitable and kind and for asking me to take part in a tour of this amazing building and for highlighting the excellent programmes you are implementing in supporting communities".

Tackling Health Inequalities

This year we are pleased to report that we have built on the work in 2020 and have been successful in number of projects that have contributed towards tackling health inequalities in partnership with various agencies. Muslim communities within Greater Manchester (GM) are facing several health inequalities, these include diabetes, cardiovascular disease, mental health to infant mortality and general life expectancy due to social economic and deprivation. They often live in the most deprived areas of GM. With the support from strategic clinical and delivery networks, Diabetes UK and Stoke Association. We have established number of projects under tackling health inequalities to support individuals by increasing their awareness of the conditions/signs and working with them to prevent long term conditions through encouraging individuals to undertake regular exercises, eating more healthier food to managing their stress levels etc. Our CVD Prevention project support the Muslim community within GM. Work established so far includes:

Tackling Diabetes & Cardiovascular Disease projects: we continue to support the Greater Manchester Diabetes Network and individuals we trained in the previous year to cascade the diabetes training to the Muslim Community. The project was recognized by the National Director of Tackling Health Inequalities. The Network provides an opportunity for diabetes champions and community trainers to come together for regular updates. The Cardiovascular Disease Project started with us organising stroke prevention webinar where Dr Kawafi gave a powerful presentation on preventing the occurrence of stroke. It was noted that stroke was the third leading cause of death in the United Kingdom just after heart disease and cancer, but stroke is the leading cause of disability. Each year in the UK, roughly one-third of patients die, one-third experience a second stroke, and most of the remaining stroke survivors live with some form of disability. Research suggests that increasing age heightens the risk of stroke and that more men than women and more Black, Asian, and Minority Ethnic people suffer from stroke as compared to their White British counterparts.

Part of this project has established number of walking groups: women and men encouraging them to do more physical exercises and we are in the process of developing a CVD training manual to train community influencers to cascade the training to their own groups to increase awareness and prevent stroke.

Young Adults Health and Wellbeing Program has been established to tackle some of the inequalities facing Muslim young people within society. Our experience working with young people and research has shown that young people with long-term conditions face significant inequalities. Those who live in the most deprived areas are twice as likely to be admitted to hospital with asthma compared to young people living in the least deprived areas. In addition, young people have told us that racism, discrimination including Islamophobia has had an impact on

Improving Maternity services Project. We have organised number of focused groups to hear the voices of Muslim women and families who have used maternity services. Meaningful discussions took place about their experience with the Maternity services. The outcomes of the discussions have helped towards the GMEC to create a Maternity Standards document. We also co-produced professional resources to raise awareness of maternity services and cultural considerations.

Tackling mental health. With the support of the Manchester City Council and Islamic Relief we have established a health and wellbeing Network to increase the awareness of mental health and support available to individuals. The Network members are working on developing a health and wellbeing training manual for the young people and older members of the community. The main focus of the training manual will be on how individuals can help themselves to look after their mental health and general wellbeing.

Partnership with Islamic Relief: we are pleased to report that this year we have built an ongoing partnership with Islamic Relief focusing on health and wellbeing of young people and mental health. We are grateful to Mr Waseem Ahmad, Global Head of Islamic Relief and Mr Tufail Hussain, the CEO of UK for Islamic Relief.

Tackling Injustice

We continue to highlight the injustices and human rights violations taking place across the World. In December 2021, the British Muslim Heritage Centre hosted an important event entitled, "Uyghur - A Modern Genocide. "The event highlighted the terrifying human rights abuses occurring daily in the Xinjiang province, China. More than one million people (mainly members of the Uyghur community) have been detained in what are essential "concentration camps" so that their identity and individuality can be removed from them.

The US and the UK have accepted that genocide is being committed, yet the voices seem to be quiet, and few people are talking and highlighting the human rights crimes that are being committed. Afzal Khan MP our patron, highlighted the political voices that are being raised but demanded that more should be done.

Open days for All: We have restarted to arrange open days where all communities of back ground are welcome to attend and share their experiences and learn about our activities and programs. This activity is to bring the Muslim and wider communities together.

Tackling Racism

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Through a public statement, the British Muslim Heritage Centre strongly condemned all forms of discrimination and was appalled by the online racism that was aimed at ethnic minority players in the England Football Team.

We supported the England Football Team and its leadership that continues to tackle racism by taking the Knee, which has become a symbol of anti-racism and a struggle to eradicate all forms of racism within society and within public institutions. It is a sign of a working towards a better, fairer, and a just society.

National Muslim Service of Remembrance 2021

We were delighted to host this year's National Muslim Service of Remembrance at the British Muslim Heritage Centre on Sat 30 Oct 21. There is no doubt that Britain's victory over tyranny during both World Wars was achieved by the contribution of Commonwealth Forces.

Education and Heritage

Our areas of education have focused on cultural and heritage as well as ensuring that we are meeting the needs of the Muslim community. We are pleased to report that we continue to provide a service during these challenging times. Examples over the year included:

Taraweeh & Eid: after the national covid lockdowns in 2021, was welcomed to be able to hold Taraweeh prayers once again in 2021 at the BMHC, albeit with social distancing measures in place. The Taraweeh prayers were successfully held at the centre in the marque and in our main hall. This made managing the attendees at Taraweeh prayers much easier compared to previous years, as well as making the experience much better for attendees. Also, the sound was constantly monitored with no complaints being received from neighbors. During Ramadan, we launched a new online donation campaign, where users could fundraise for the BMHC. We held three Eid prayers at the BMHC for Eid al-Fitr with social distancing measures in place. The prayers went very well. Over 1,750 people attended over the three prayers on the day. Eid Gift packs were given out during the first Eid Prayer to children and attendees.

For Eid al-Adha we created a nice family atmosphere by having food stalls and free ice cream for children. Due to ease of covid measures, over 3,500 people attended over the three Eid prayers.

To strengthen our governance structure and accountability, a new committee, BMHC Masjid & Dawah Committee (MDC), was established and have begun to manage and oversee all Masjid and Dawah related activities and events at the BMHC. In addition, we have published another publication this year: Ottoman Turkey: History, Culture & Civilization. This book is a fascinating and detailed account of the numerous scientific, artistic, and architectural accomplishments of the Ottomans.

Young Muslims: Reclaiming the Narrative Project

We are honoured to work in partnership with the Manchester Metropolitan University, Manchester School of Arts on reclaiming the narrative project. Despite Covid-19, the project has progressed from the first community workshop held in the British Muslim Heritage Centre to some workshops where young Muslims had the opportunity to express their views as British young Muslims. Through collaboration and dialogue, the young people and the college depict key historical and contemporary issues that are significant to them both as British and Muslims.

A fantastic webinar was organised on Monday 21 June 2021 to update communities and professionals on the progress made.

Pearls of Wisdom. A book containing beautiful illustrated inspirational quotes from Prophet Muhammad (peace be upon him) on a wide variety of themes, such as, equality, good character, justice, marriage, spirituality etc. In addition to the publication under the education responsibilities we have number of activities for young people and communities being delivered on a weekly basis. These include:

GCSE Religious Studies. 100% of our students passed their GCSE Religious Studies exams, with 96% of them receiving A* or A. This was an amazing achievement. The good news was shared on social media, receiving a fantastic response of acknowledgement and comments, from both Muslims and non-Muslims congratulating us on this achievement.

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Islah Youth Group. The Islah Youth Club was relaunched at the beginning of November at the BMHC on Friday evenings. The youth club consists of various fun activities and games such as, Basketball, Archery, Football, Pool, Air-Hockey, and Games Console. An Islamic reminder is also given to the children each week and along with other key messages such as a health and wellbeing. Children also get to participate in various team building exercises and games to help increase their knowledge about Islam. One of the key important benefit's is that the children are around positive Muslim role models.

Heritage Academy. Heritage Academy was successfully relaunched on Monday 13th September 2021. Classes are held as they were previously from Monday to Thursday. We implemented new changes to make the application process more efficient by updating the Heritage Academy website and setting up a new online registration process for parents. We currently have two classes teaching children Arabic and Islamic Studies. One of our main aims is to make learning fun, so that children enjoy attending and learning of Quran.

Strengthening International Links

Turkey: we have strengthened our international links this year and are pleased to report that build excellent relation with The Turkish Consul General in Manchester, Mr Seyfi Onur Sayin, paid a visit to the British Muslim Heritage Centre (BMHC) on Friday 3rd December 2021. The visit to the BMHC was part of a special programme throughout the Northwest Region to showcase the work of a Yurtdisi Turkler (Turks Abroad) which was represented by Mr Huseyin Caliskan and Mr Tugsad Ozer.

Mr Saefy Onur Sayin said: "I have been overwhelmed by the hospitality and the excellent programme work of the BMHC in supporting the most vulnerable. This visit has given us the opportunity of developing a partnership between the BMHC and Yurtdisi Turkler (Turks Abroad)". Mr Huseyin Caliskan said, "the visit also helped us to obtain useful information that will enable Yurtdisi Turkler to forge a close working relationship with the British Muslim Heritage Centre in order to put our sincere intentions into practice." Mr Tugsad Ozer said, "we had a very useful visit to the BMHC, and we hope to repeat our visit again in the very near future".

Pakistan: Senator Fawzia Arshad, of Islamabad, Pakistan, paid tribute to "selfless" volunteers, the Board of Trustees, and the Staff at the British Muslim Heritage Centre during her visit. The Senator visited the BMHC in Manchester two days after her arrival in London where she met with Members of Parliament as part of an international delegation to enhance diplomatic relations between the two Commonwealth Nations. Senator Arshad she was pleased to see the excellent work of the Centre in bringing people from all backgrounds together through a partnership approach.

Heritage Media This year heritage media has played a vital role in success of the projects. The department is fully operational after the appointment of the new media consultant which enabled us to regularly upload our podcast on you tube.

Financial review

Financial Position

Full details of income and expenditure for the year are set out in the Statement of Financial Activities on page 14.

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 £683,882 (2020 £278,833). 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.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

Strategic report

Financial review

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 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 £ 11,038,155 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:

- 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 Islam and Muslim culture in general.
- The marquee continues to be a useful revenue stream to help the organisation to carry out its charitable activities and after the completion of refurbished area we are now able to generate some funds through providing housing facility for homeless people through a charity. These funds will be used for the community welfare projects and running expenses of the charity.

Structure, governance and management

British Muslim Heritage Centre (BMHC, hereafter) was incorporated as a Limited company, company number 04779177, 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 based on 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.

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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 principal 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 £977 (2020 £535). 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.

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"

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, Xeinadin Audit Ltd (Statutory Auditor), will be proposed for 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 21/9/22 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 2021 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the computer component manufacturing and supply sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental (including Waste Electrical and Electronic Equipment recycling (WEEE) Regulations 2013) and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We are independent of the 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.

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.

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

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 Xeinaadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

Date: 23/09/2022

BRITISH MUSLIM HERITAGE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies	2	683,882	235,675	919,557	308,832
Charitable activities					
Charitable activity		652,315	-	652,315	673,049
Other trading activities	3	-	-	-	368
Total		<u>1,336,197</u>	<u>235,675</u>	<u>1,571,872</u>	<u>982,249</u>
Expenditure on					
Raising funds	5	797	-	797	330,736
Charitable activities	6				
Charitable activity		768,652	171,224	939,876	657,511
Other		-	-	-	1,593
Total		<u>769,449</u>	<u>171,224</u>	<u>940,673</u>	<u>989,840</u>
NET INCOME/(EXPENDITURE)		566,748	64,451	631,199	(7,591)
Transfers between funds	16	150,845	(150,845)	-	-
Net movement in funds		717,593	(86,394)	631,199	(7,591)
Reconciliation of funds					
Total funds brought forward		10,238,754	168,202	10,406,956	10,414,547
Total funds carried forward		<u>10,956,347</u>	<u>81,808</u>	<u>11,038,155</u>	<u>10,406,956</u>

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 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	12	11,468,610	-	11,468,610	11,416,817
Current assets					
Debtors	13	314,559	-	314,559	44,776
Cash at bank and in hand		5,140	81,808	86,948	129,652
		319,699	81,808	401,507	174,428
Creditors					
Amounts falling due within one year	14	(831,962)	-	(831,962)	(1,184,289)
Net current assets		(512,263)	81,808	(430,455)	(1,009,861)
Total assets less current liabilities		10,956,347	81,808	11,038,155	10,406,956
NET ASSETS		10,956,347	81,808	11,038,155	10,406,956
Funds	16				
Unrestricted funds				10,956,347	10,238,754
Restricted funds				81,808	168,202
Total funds				11,038,155	10,406,956

The financial statements were approved by the Board of Trustees and authorised for issue on 21.01.22 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 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	196,685	277,697
Net cash provided by operating activities		196,685	277,697
Cash flows from investing activities			
Purchase of tangible fixed assets		(239,389)	(485,300)
Net cash used in investing activities		(239,389)	(485,300)
Cash flows from financing activities			
New loans in year		-	181,500
Net cash provided by financing activities		-	181,500
Change in cash and cash equivalents in the reporting period		(42,704)	(26,103)
Cash and cash equivalents at the beginning of the reporting period		129,652	155,755
Cash and cash equivalents at the end of the reporting period		86,948	129,652

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 2021

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
	2021	2020	
	£	£	
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	631,199	(7,591)	
Adjustments for:			
Depreciation charges	187,596	69,820	
Decrease in loans	(195,000)	-	
(Increase)/decrease in debtors	(269,783)	217,132	
Decrease in creditors	(157,327)	(1,664)	
Net cash provided by operations	<u>196,685</u>	<u>277,697</u>	
2. Analysis of changes in net debt			
	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	129,652	(42,704)	86,948
	<u>129,652</u>	<u>(42,704)</u>	<u>86,948</u>
Debt			
Debts falling due within 1 year	(424,736)	232,000	(192,736)
	<u>(424,736)</u>	<u>232,000</u>	<u>(192,736)</u>
Total	<u>(295,084)</u>	<u>189,296</u>	<u>(105,788)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 are prepared in sterling which is the functional currency of the company.

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of land and buildings and certain financial instruments measured at fair value in accordance with the accounting policies set out below.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies - continued

Expenditure

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.

Tangible fixed assets

Land and buildings held and used in the company's own activities for production and supply of goods or for administrative purposes are stated in the statement of financial position at their revalued amounts. The revalued amounts equate to the fair value at the date of revaluation, less any depreciation or impairment losses subsequently accumulated. Revaluations are carried out regularly so that the carrying amounts do not materially differ from using the fair value at the date of the statement of financial position.

Any revaluation increase or decrease on land and buildings is credited to the property revaluation reserve in 'other reserves'.

Depreciation on revalued buildings is charged to profit or loss so as to write off their value, less residual value, over their estimated useful life of 50 years, using the straight-line method.

Once a revalued property is sold or retired any attributable revaluation surplus that is remaining in the property revaluation reserve is transferred to retained earnings. No transfer is made from the revaluation reserve to retained earnings unless an asset is derecognised.

Furniture and equipments are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on furniture and equipment is charged to profit or loss so as to write off their value, at 33% reducing balance method.

Fixture and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on fixture and fittings is charged to profit or loss so as to write off their value, at 15% reducing balance method.

Assets held under finance leases are depreciated in the same manner as owned assets.

At each balance sheet date, the company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies - continued

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 £385,446 (2020: £174,428). Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £826,592 (2020: £1,180,169).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 50 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies - continued

Financial instruments

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment. Those that are receivable after more than one year or that constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. Donations and legacies

	2021 £	2020 £
Donations	649,212	179,697
Grants	270,345	118,702
Other Income	-	10,433
	<u>919,557</u>	<u>308,832</u>

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

	2021 £	2020 £
Grant	<u>270,345</u>	<u>118,702</u>

BRITISH MUSLIM HERITAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Other trading activities

	2021 £	2020 £
Shop income	-	368

4. Income from charitable activities

Activity	2021 £	2020 £
Income from hire of facilities	645,437	665,978
Income from admission charges and programmes	6,878	7,071
	<u>652,315</u>	<u>673,049</u>

5. Raising funds

Raising donations and legacies

	2021 £	2020 £
Staff costs	-	8,567
Advertising, printing and postage	797	850
	<u>797</u>	<u>9,417</u>

Other trading activities

	2021 £	2020 £
Bad debts	-	94,139
Loan Write Off	-	227,180
	<u>-</u>	<u>321,319</u>
Aggregate amounts	<u>797</u>	<u>330,736</u>

BRITISH MUSLIM HERITAGE CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Charitable activities costs

	Direct Costs (see note 7) £
Charitable activity	939,876

7. Direct costs of charitable activities

	2021 £	2020 £
Staff costs	288,597	302,919
Rates and water	21,067	28,625
Insurance	16,061	33,799
Light and heat	79,577	52,456
Telephone and computer costs	17,407	14,305
Postage and stationery	8,226	2,703
Sundries	5,290	8,327
Faith and worship	-	13,331
Events, exhibitions and festivals	229,771	55,385
Repairs and maintenance	38,231	32,168
Security costs	6,457	8,735
Travelling costs	3,708	3,693
Accountancy charges	1,159	1,112
Auditors' remuneration	5,460	5,460
Legal and professional fees	28,080	21,317
Bank charges	3,189	3,356
Depreciation	187,596	69,820
	<u>939,876</u>	<u>657,511</u>

8. Net income/(expenditure)

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

	2021 £	2020 £
Depreciation - owned assets	187,596	69,820
Auditors' remuneration	5,460	5,460

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

BRITISH MUSLIM HERITAGE CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Trustees' remuneration and benefits - continued

Trustees' expenses

The charity reimbursed travelling and connected expenses amounting to £977 (2020: £535).

10. Staff costs

	2021	2020
	£	£
Wages and salaries	274,053	295,793
Social security costs	11,685	12,550
Other pension costs	2,859	3,143
	<u>288,597</u>	<u>311,486</u>

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

	2021	2020
	11	13
Administration and support	<u>11</u>	<u>13</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.

12. Tangible fixed assets

	Freehold land and building £	Renovations in progress £	Furniture and equipments £	Fixtures and fittings £	Totals £
Cost					
At 1 January 2021	4,305,958	7,127,948	226,245	437,482	12,097,633
Additions	-	230,249	2,582	6,558	239,389
Transfer to ownership	7,358,197	-	-	-	7,358,197
At 31 December 2021	<u>11,664,155</u>	<u>7,358,197</u>	<u>228,827</u>	<u>444,040</u>	<u>19,695,219</u>
Depreciation					
At 1 January 2021	177,736	-	207,463	295,617	680,816
Charge for year	158,283	-	7,050	22,263	187,596
Reclassification/transfer	-	7,358,197	-	-	7,358,197
At 31 December 2021	<u>336,019</u>	<u>7,358,197</u>	<u>214,513</u>	<u>317,880</u>	<u>8,226,609</u>
Net book value					
At 31 December 2021	<u>11,328,136</u>	<u>-</u>	<u>14,314</u>	<u>126,160</u>	<u>11,468,610</u>
At 31 December 2020	<u>4,128,222</u>	<u>7,127,948</u>	<u>18,782</u>	<u>141,865</u>	<u>11,416,817</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**12. Tangible fixed assets - continued**

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

	2021 £	2020 £
Trade debtors	270,303	29,067
Other debtors	28,195	15,709
Prepayments	16,061	-
	<u>314,559</u>	<u>44,776</u>

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Other loans (see note 15)	192,736	424,736
Trade creditors	159,656	87,464
Social security and other taxes	5,370	4,120
Other creditors	365,000	662,509
Accruals and deferred income	103,740	-
Accrued expenses	5,460	5,460
	<u>831,962</u>	<u>1,184,289</u>

15. Loans

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Other loans	<u>192,736</u>	<u>424,736</u>

16. Movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
Unrestricted donations	10,238,754	566,748	150,845	10,956,347
Restricted funds				
Restricted donations	168,202	64,451	(150,845)	81,808
TOTAL FUNDS	<u>10,406,956</u>	<u>631,199</u>	<u>-</u>	<u>11,038,155</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	1,336,197	(769,449)	566,748
Restricted funds			
Restricted donations	235,675	(171,224)	64,451
TOTAL FUNDS	<u>1,571,872</u>	<u>(940,673)</u>	<u>631,199</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted donations	10,263,428	(24,674)	10,238,754
Restricted funds			
Restricted donations	151,119	17,083	168,202
TOTAL FUNDS	<u>10,414,547</u>	<u>(7,591)</u>	<u>10,406,956</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	952,250	(976,924)	(24,674)
Restricted funds			
Restricted donations	29,999	(12,916)	17,083
TOTAL FUNDS	<u>982,249</u>	<u>(989,840)</u>	<u>(7,591)</u>

Purposes of Unrestricted Funds:

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

Purposes of Restricted Funds:

Restricted fund balance brought forward from the last year represents money received for the renovation of building at College Road, Whalley Range, Manchester. During the year, the construction of the building was completed and therefore, all restricted fund amount related to renovation of building was transferred to unrestricted fund.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Movement in funds - continued

With the completion of the building construction, all restricted fund brought forward in fixed assets was transferred to unrestricted funds in fixed assets.

The charity receives specific grants for specific purposes which are restricted. Any such income and associated expenditure is identified separately. At the year end, the balance in restricted funds £81,808 represents money carry forward for various restricted projects.

17. Pension commitments

The amount recognised in income or expenditure as an expense is relation to defined contribution plan was £2,743 (2020: £3,143).

18. Related party disclosures

As at 31 December 2021, the charity owed £145,170 (2020: £145,170) 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 (2020:£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 (2020: £NIL) was receivable from BMHC Services Ltd. During the year British Muslim Heritage Centre advanced sum of £NIL (2020:£NIL).