

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 2022

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

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022

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
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	Sir Warren J. Smith Mohammed Afzal Khan MP
Bankers	The Royal Bank of Scotland Drummond House 1 Redheughs Avenue Edinburgh EH12 9JN

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 2022. 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

Objectives and aims

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

This financial year the Centre's operations are back to normal, following the pandemic. The pandemic taught us new ways of working in terms of continuing our work and this included Teams & Zoom meetings. During the pandemic we continued external training and certainly became more IT literate, as did the nation; to continue and progress our strategic objectives.

Engaging and supporting local communities in Manchester

We have managed to bring together several groups in Manchester, Rochdale and Tameside, Oldham and Bury. This was all made possible with the help of Charities, local councils, and GPs.

Networking

During this year we introduced three different networking groups

1. Muslim Health Professionals
2. Professional Business Muslim Network
3. Muslim Chief Executive Officers Network

Introductory seminars were held at the BMHC, and the professionals were offered a platform from where they can meet up and grow professionally.

Aspiring Leaders Programme

We continued to develop young people through our Aspiring Leaders programme. We are pleased to report that the young people went through several developmental modules that they have completed, and these include politics and the impact of young people.

Tackling Hate Partnership project

We continued working on the Hate Crime project during this year and in the process, we also became a reporting centre for Hate Crime in collaboration with Greater Manchester Police.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Tackling Health Inequalities

We are pleased to report that we have continued with the good work which we started in 2020 and have been successful in several 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 resulting from socioeconomic deprivation.

The British Muslim Heritage Centre hosted and delivered several training sessions around Mental Health First Aid Training.

Young Adults Health and Wellbeing Program

This was established to tackle some of the inequalities facing young Muslim 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 them.

Improving Maternity Services Project

We organised several focus 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 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 young people and older members of the community. The 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 we are still have 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.

Greater Manchester Genes Project

In October 2022, we started a new project to encourage the Greater Manchester residents to take part in a major genetics study designed to improve the health outcomes of community members with a Bangladeshi and Pakistani background.

Strengthening Links with Greater Manchester Chamber of commerce

The BMHC held a session with the chief Crown prosecutor, Martin Goldman and his team in October 2022. Martin Goldman thanked the BMHC in making the CPS staff aware of the challenges faced by the Muslim community and suggested how the CPS and Muslim community can support each other.

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 have continued to provide the following services during the year, which included:

i) During Ramadan. We hosted Taraweeh prayers, which were better organised, as we had the help of young staff especially hired. Gifts were given out during the Taraweeh prayers to appreciate the well-behaved children during prayer times.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

ii) GCSE Religious Studies. 100% of our students passed their GCSE Religious Studies exams, with 96% of them receiving 9/8 grade as always, 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.

iii) Islah Youth Group. The Islah Youth Club is bringing young adults together through healthy activities. 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 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 benefits is that the children are around positive Muslim role models.

iv) Heritage Academy. Heritage Academy is contributing towards the nurturing and upbringing of upright citizens through Islamic education and tarbiya classes. One of our main aims is to make learning fun, so that children enjoy attending, as well as learning the Quran.

Heritage Umrah

The first Umrah trip took place at the end of October 2022 with approximately 30 people from various backgrounds enlisted. The participants were very pleased about the trip and due to its success, insisted on continuation of this service.

Heritage Media

This year Heritage Media has played a vital role in success of our partnership projects. The department is fully operational after the appointment of the new media consultant which has enabled us to regularly upload our Podcasts 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 10.

Income from charitable activities is the main source of funds while some revenue has been generated from donations. The total income from charitable activities for this financial year £850,790 (2021: £652,315). The organisation continues to improve income generation to support its increasing activities.

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 the new build planning permission application preparation and maintenance of its grade II* listed building. The building is central to the fulfilment of our vision. The refurbishment and rebuilding process has, thus been a priority investment focus.

Given the scale of the rebuilding and refurbishment project and its continuous demand on funds, it is not possible to maintain reserves. Despite that, the trustees remain confident that given the strength of BMHC's balance sheet, with a combined value of £10,855,789 (2021: £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 financial obligations accordingly.

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 2022**

Strategic report

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 the 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 carry out its charitable activities. After the completion of the refurbished wing, we are now generating some funds through providing a housing facility for homeless people through a charity. These funds will be used for community welfare projects and running expenses of the organisation.

Glass Reception:

The Glass reception is the next area to be completed in the building. This is going to be a great attraction for the community as it will provide an area for people to socialise and relax, with refreshments being available.

Structure, governance and management

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

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

The Board of Trustees comprises members from diverse backgrounds. Trustees are selected 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.

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 £NIL (2021 £977). 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.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

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 re-appointment at the forthcoming Annual General Meeting.

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

26/10/23 -

.....
Mr N Mahmood - Trustee

Opinion

We have audited the financial statements of British Muslim Heritage Centre (the 'charitable company') for the year ended 31 December 2022 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 2022 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.

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 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.

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

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

- 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. 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.

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: 27/10/2023

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds	Restricted fund	2022 Total funds	2021 Total funds as restated
	Notes	£	£	£	£
Income and endowments from					
Donations and legacies	2	192,687	303,798	496,485	919,557
Charitable activities	3				
Charitable activity		850,790	-	850,790	652,315
Total		<u>1,043,477</u>	<u>303,798</u>	<u>1,347,275</u>	<u>1,571,872</u>
Expenditure on					
Raising funds	4	1,426	-	1,426	797
Charitable activities	5				
Charitable activity		1,086,539	128,018	1,214,557	939,876
Total		<u>1,087,965</u>	<u>128,018</u>	<u>1,215,983</u>	<u>940,673</u>
NET INCOME/(EXPENDITURE)		(44,488)	175,780	131,292	631,199
Reconciliation of funds					
Total funds brought forward					
As previously reported		10,956,347	81,808	11,038,155	10,406,956
Prior year adjustment	10	(313,658)	-	(313,658)	-
As restated		<u>10,642,689</u>	<u>81,808</u>	<u>10,724,497</u>	<u>10,406,956</u>
Total funds carried forward		<u><u>10,598,201</u></u>	<u><u>257,588</u></u>	<u><u>10,855,789</u></u>	<u><u>11,038,155</u></u>

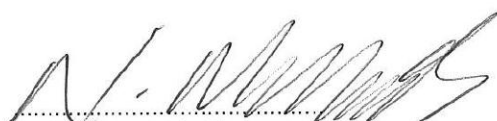
Continuing operations

All income and expenditure has arisen from continuing activities.

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds as restated £
Fixed assets					
Tangible assets	12	11,358,553	91,872	11,450,425	11,468,610
Current assets					
Debtors	13	172,520	-	172,520	314,559
Cash at bank and in hand		30,336	165,716	196,052	86,948
		202,856	165,716	368,572	401,507
Creditors					
Amounts falling due within one year	14	(620,320)	-	(620,320)	(831,962)
Net current assets		(417,464)	165,716	(251,748)	(430,455)
Total assets less current liabilities		10,941,089	257,588	11,198,677	11,038,155
Creditors					
Amounts falling due after more than one year	15	(342,888)	-	(342,888)	-
NET ASSETS		10,598,201	257,588	10,855,789	11,038,155
Funds	17				
Unrestricted funds				10,598,201	10,956,347
Restricted funds				257,588	81,808
Total funds				10,855,789	11,038,155

The financial statements were approved by the Board of Trustees and authorised for issue on 26/12/2022 and were signed on its behalf by:


Mr N Mahmood - Trustee


Mr F Zaheer - Trustee

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022	2021 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	651,086	428,685
Prior year adjustment		(313,658)	-
Net cash provided by operating activities		<u>337,428</u>	<u>428,685</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(171,081)	(239,389)
Net cash used in investing activities		<u>(171,081)</u>	<u>(239,389)</u>
Cash flows from financing activities			
Loan repayments in year		(57,243)	(232,000)
Net cash used in financing activities		<u>(57,243)</u>	<u>(232,000)</u>
Change in cash and cash equivalents in the reporting period		<u>109,104</u>	<u>(42,704)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>86,948</u>	<u>129,652</u>
Cash and cash equivalents at the end of the reporting period		<u><u>196,052</u></u>	<u><u>86,948</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022	2021 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	131,292	631,199
Adjustments for:		
Depreciation charges	189,266	187,596
Decrease/(increase) in debtors	142,039	(269,783)
Increase/(decrease) in creditors	188,480	(120,327)
Net cash provided by operations	<u>651,086</u>	<u>428,685</u>

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

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>86,948</u>	<u>109,104</u>	<u>196,052</u>
	<u>86,948</u>	<u>109,104</u>	<u>196,052</u>
Debt			
Debts falling due within 1 year	<u>(192,736)</u>	<u>57,243</u>	<u>(135,493)</u>
	<u>(192,736)</u>	<u>57,243</u>	<u>(135,493)</u>
Total	<u>(105,788)</u>	<u>166,347</u>	<u>60,559</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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.

Plant and machinery are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on plant and machinery 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 2022

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 £347,422 (2021: £385,446). Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £954,550 (2021: £826,592).

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 2022

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

	2022	2021 as restated
	£	£
Donations	192,687	649,212
Grants	303,798	270,345
	<u>496,485</u>	<u>919,557</u>

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

	2022	2021 as restated
	£	£
Grant	<u>303,798</u>	<u>270,345</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**3. Income from charitable activities**

		2022	2021 as restated
	Activity	£	£
Income from hire of facilities	Charitable activity	826,272	645,437
Income from admission charges and programmes	Charitable activity	24,518	6,878
		<u>850,790</u>	<u>652,315</u>

4. Raising funds**Raising donations and legacies**

	2022	2021 as restated
	£	£
Advertising, printing and postage	<u>1,426</u>	<u>797</u>

5. Charitable activities costs

	Direct Costs (see note 6) £
Charitable activity	<u>1,214,557</u>

6. Direct costs of charitable activities

	2022	2021 as restated
	£	£
Staff costs	320,711	288,597
Rates and water	47,628	21,067
Insurance	37,211	16,061
Light and heat	69,201	79,577
Telephone and computer costs	16,932	17,407
Postage and stationery	11,024	8,226
Sundries	3,132	5,290
Events, exhibitions and festivals	398,236	229,771
Repairs and maintenance	51,798	38,231
Security costs	3,930	6,457
Travelling costs	4,767	3,708
Accountancy charges	1,612	1,159
Auditors' remuneration	6,000	5,460
Legal and professional fees	47,651	28,080
Bank charges	5,458	3,189
Depreciation	189,266	187,596
	<u>1,214,557</u>	<u>939,876</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**7. Net income/(expenditure)**

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

	2022	2021 as restated
	£	£
Depreciation - owned assets	189,266	187,596
Auditors' remuneration	6,000	5,460
	<u> </u>	<u> </u>

8. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

The charity reimbursed travelling and connected expenses amounting to £NIL (2021: £977).

9. Staff costs

	2022	2021 as restated
	£	£
Wages and salaries	300,677	274,053
Social security costs	16,443	11,685
Other pension costs	3,591	2,859
	<u>320,711</u>	<u>288,597</u>

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

	2022	2021 as restated
Administration and support	<u>10</u>	<u>11</u>

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

10. Prior year adjustment

Nature of prior year error - The statement of financial activities have been restated to incorporate the impact of a misclassification of an investment treated as a donation in the year ended 31 May 2017. The adjustment has resulted in decrease in funds of £313,658 for the year 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

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 £	Plant and machinery £	Fixtures and fittings £	Totals £
Cost				
At 1 January 2022	11,664,155	228,827	444,040	12,337,022
Additions	144,327	2,422	24,332	171,081
At 31 December 2022	11,808,482	231,249	468,372	12,508,103
Depreciation				
At 1 January 2022	336,019	214,513	317,880	868,412
Charge for year	161,169	5,523	22,574	189,266
At 31 December 2022	497,188	220,036	340,454	1,057,678
Net book value				
At 31 December 2022	11,311,294	11,213	127,918	11,450,425
At 31 December 2021	11,328,136	14,314	126,160	11,468,610

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 £35 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

	2022 £	2021 as restated £
Trade debtors	139,680	270,303
Other debtors	11,690	28,195
Prepayments	21,150	16,061
	172,520	314,559

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**14. Creditors: amounts falling due within one year**

	2022	2021 as restated
	£	£
Other loans (see note 16)	135,493	192,736
Trade creditors	81,957	159,656
Social security and other taxes	8,658	5,370
Other creditors	265,000	365,000
Accruals and deferred income	129,212	109,200
	<u>620,320</u>	<u>831,962</u>

15. Creditors: amounts falling due after more than one year

	2022	2021 as restated
	£	£
Other creditors	<u>342,888</u>	<u>-</u>

Other creditors include an amount invested by an investor for the renovation of rooms in the Heritage building. The amount owed as at 31 December 2022 in relation to this investment and surplus generated from the investment is £342,888.

16. Loans

An analysis of the maturity of loans is given below:

	2022	2021 as restated
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>135,493</u>	<u>192,736</u>

17. Movement in funds

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	At 31.12.22 £
Unrestricted funds				
Unrestricted donations	10,956,347	(313,658)	(44,488)	10,598,201
Restricted funds				
Restricted donations	81,808	-	175,780	257,588
TOTAL FUNDS	<u>11,038,155</u>	<u>(313,658)</u>	<u>131,292</u>	<u>10,855,789</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

17. 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	1,043,477	(1,087,965)	(44,488)
Restricted funds			
Restricted donations	303,798	(128,018)	175,780
TOTAL FUNDS	<u>1,347,275</u>	<u>(1,215,983)</u>	<u>131,292</u>

Comparatives for 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>

Comparative 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>

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 2022

17. Movement in funds - continued

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.

	At 1.1.2022 (£)	Restricted donation received during the year (£)	Restricted expenditure done during the year (£)	At 31.12.2022(£)
Restricted donations				
Covid-19 Youth Webinar expenses	500	-	500	-
Muslim Inclusion Project Highlight Report	33,804	-	33,804	-
Project for Ladies Focus Groups	5,794	-	615	5,179
C19 PAB Youth Programme	100	-	-	100
GMP and BMHC Tackling Hate Crime Project Overseas	26,000	-	22,685	3,315
Bridging the Diabetes Inequalities Gap in Manchester	13,610	-	13,452	158
Greater Manchester Mental Health project	2,000	-	-	2,000
Donation for new build	-	102,172	10,300	91,872
Donation for staff salaries	-	84,567	-	84,567
Donation for Mosque	-	30	-	30
A 1000 Stories of Sacrifice exhibition	-	1,555	-	1,555
Greater Manchester mental health	-	124	-	124
Ph BMHC young adult network	-	16,000	16,000	-
Consultancy funding for Diabetes	-	350	-	350
Muslim Health professionals Network	-	14,500	11,037	3,463
Reducing Inequalities Project	-	14,500	8,400	6,100
Domestic Violence Project	-	30,000	-	30,000
Pakistani & Bangladeshi Genomic Medicine Project	-	25,000	10,874	14,126
Manchester Community Safety Partnership's Radequal Grant Pr	-	15,000	350	14,650
Total	81,808	303,798	128,018	257,588

18. Pension commitments

The amount recognised in income or expenditure as an expense is relation to defined contribution plan was £3,591 (2021: £2,859).

19. Capital commitments

20. Related party disclosures

As at 31 December 2022, the charity owed £135,493 (2021: £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 (2021:£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 (2021: £NIL) was receivable from BMHC Services Ltd. During the year British Muslim Heritage Centre advanced sum of £NIL (2021:£NIL).