

MINORITY ENTERPRISE DEVELOPMENT TRUST

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

MINORITY ENTERPRISE DEVELOPMENT TRUST

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MINORITY ENTERPRISE DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	1110256 (England & Wales)
Address	Bangor Street Community Centre Norwich Street Blackburn BB1 6NZ
Trustees	Tahir Mohsan Habiburehman Patel Khalid Saifullah
Accountants	Ambledene Accountancy Cotton Court Church Street Preston PR1 3BX
Independent examiner	Dina Pejcinovic ACA Banks & Co Chartered Accountants 33 Newton Road Ashton-on-Ribble Preston PR2 1DY
Bankers	HSBC Bank plc 49A Fishergate Preston PR1 8BQ

MINORITY ENTERPRISE DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

The Trustees who served during the period and up to the date of this report are shown on page 2.

Structure, governance and management

Minority Enterprise Development Trust is a registered UK charity constituted on 29 October 2004 under charity number 1110256. It is an unincorporated charity and the governing document is a Trust Deed.

Objectives and activities

The objectives of the charity as set out in the governing document are:

- the advancement of education and training of people in need, in particular, but not exclusively ethnic-minority communities, by supporting projects that develop business skills in the community and multi-cultural and multi-racial harmony in the businesses; and
- to promote any other charitable purpose in furtherance of the objects as the Trustees from time to time determine.

The Trustees have had due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

The charity derives rental income from freehold investment property. The rental income which is generated from this will be used to further the objectives of the charity.

In October 2015, the charity tendered for and was awarded a long lease for the management of Bangor Street Community Centre (BSCC) on asset transfer from Blackburn with Darwen Borough Council (BWDBC).

Bangor Street Community Centre will be run for the benefit of the local community by Minority Enterprise Development Trust and managed on its behalf by Bangor Street Limited, a wholly-owned subsidiary incorporated for that purpose on 1 December 2015. The trustees consider that the activities of the Community Centre are largely charitable in nature and consistent with the long-term objectives of the charity.

The trustees are pleased to report that BSCC continues to be well supported by licensees and the local community.

Financial review

It is the policy of the charity to maintain restricted funds at a level which equate to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management, administration, and support costs. The adequacy of the reserves policy is reviewed annually.

The surplus of income over expenditure in the year to 31 March 2021 was £6,610 (2020: £22,598 deficit). This was principally due to the receipt of coronavirus support grants from the Local Authority.

The unrestricted funds amounted to £507,088 (2020: £500,478) at the end of the year.

MINORITY ENTERPRISE DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Future activities

Bangor Street Limited (BSL) assumed responsibility on behalf of the charity for the running of BSCC on 4 January 2016. BSL collects rents, licence fees, room hire and other charges on behalf of the charity and remits funds back to the charity net of running costs incurred. Where appropriate, the charity bears some of the running costs directly. During the coronavirus-related lockdowns, activity in the centre was severely restricted; however, operations returned to normal in September 2021 and the trustees will look to bring the centre back to full capacity by mid-2022. In the year to 31 March 2021, BSL incurred costs of £35,691 (2020: £83,733).

The charity is funding the development of an Islamic App for children for intended launch in early 2022. The aim is to provide a resource that is free to use, free from adverts and able to provide young children with the basics of religion. The App will be offered to other community organisations completely free of charge.

Approved by the Trustees on 31 January 2022 and signed on their behalf by:

Habiburehman Patel

Trustee

MINORITY ENTERPRISE DEVELOPMENT TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MINORITY ENTERPRISE DEVELOPMENT TRUST

I report on the financial statements of Minority Enterprise Development Trust for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and related notes set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's s576 statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dina Pejcinovic ACA
Independent Examiner

Date: 31 January 2022

MINORITY ENTERPRISE DEVELOPMENT TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	2021 Total £	2020 Total £
Incoming resources				
Incoming resources from generating funds:				
Voluntary income	2	41,036	41,036	-
Investment income	3	68,491	68,491	120,144
Total incoming resources		109,527	109,527	120,144
Resources expended				
Costs of generating funds:				
Investment management costs	4	75,067	75,067	131,118
Charitable activities	5	21,950	21,950	3,800
Governance costs	7	5,900	5,900	7,824
Total resources expended		102,917	102,917	142,742
Net (deficit)/surplus for the year		6,610	6,610	(22,598)
Total funds brought forward		500,478	500,478	523,076
Total funds carried forward		507,088	507,088	500,478

MINORITY ENTERPRISE DEVELOPMENT TRUST

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021	2020
		£	£
Fixed assets			
Investments	8	1	1
Tangible assets	9	275,000	275,000
		275,001	275,001
Current Assets			
Debtors	10	7,006	7,993
Cash at bank and in hand		293,094	257,033
		300,100	265,026
Creditors: Amounts falling due within one year	11	68,013	39,549
Net current assets		232,087	225,477
Total assets less current liabilities		507,088	500,478
Funds			
Unrestricted funds	13	507,088	500,478
Total funds		507,088	500,478

The financial statements were approved by the Trustees on 31 January 2022 and signed on their behalf by:

Habiburehman Patel
Trustee

Khalid Saifullah
Trustee

The notes on pages 8 to 13 form part of these financial statements.

MINORITY ENTERPRISE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The financial statements have been prepared under the historical cost convention (except that investment properties are shown at market value) and in accordance the Charities SORP (FRS102) and the Charities Act 2011.

The financial statements have been prepared on a going concern basis. Notwithstanding the effects of the COVID-19 pandemic, the trustees, having reviewed future plans and available resources, consider that the charity has sufficient financial resources to continue in operation for the foreseeable future

The principal accounting policies, which are summarised below, have been consistently applied through this and the preceding period.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- a) 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.
- b) 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.
- c) Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.
- d) Income from investments is included in the period in which it is receivable.

Resources expended

Expenditure is recognised on an accruals 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Tangible fixed assets

Investment properties are stated at their market value at the balance sheet date. Any movement in market value is taken through a revaluation reserve unless that would result in a deficit. A deficit is taken to the statement of financial activities. No depreciation is provided for on investment properties.

Where a property has been reclassified in the year, any movement in cost and the accumulated depreciation are adjusted through the revaluation reserve.

Taxation

The charity is exempt from UK Tax on charitable activities.

MINORITY ENTERPRISE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

2. Voluntary income

	Unrestricted funds £	2021 Total £	2020 Total £
Donation Income	-	-	-
Coronavirus grant schemes	41,036	41,036	-
	41,036	41,036	-

During the year, the charity received several grants from Blackburn with Darwen Borough Council as part of the various National coronavirus support schemes in England. The grants were unconditional and form part of unrestricted funds.

3. Investment income

	Unrestricted funds £	2021 Total £	2020 Total £
Income from UK investment property	22,958	22,958	13,856
Income from community centre	45,533	45,533	106,288
	68,491	68,491	120,144

MINORITY ENTERPRISE DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS

4. Investment management costs

	Unrestricted funds £	2021 Total £	2020 Total £
Light and heat	31,006	31,006	40,458
Rates and water	-	-	2,167
Insurance	8,370	8,370	5,296
Property management charge	35,691	35,691	83,733
Facilities management contracts	-	-	(536)
	75,067	75,067	131,118

5. Costs of charitable activities – by fund type

	Unrestricted funds £	2021 Total £	2020 Total £
Support costs (note 6)	21,950	21,950	3,800

6. Analysis of support costs

	Basis of allocation	2021 Total £	2020 Total £
Graphic design	Direct cost	1,950	800
Website/app development	Direct cost	20,000	3,000
		21,950	3,800

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NOTES TO THE FINANCIAL STATEMENTS

7. Governance costs

	Unrestricted funds £	2021 Total £	2020 Total £
Accountancy fees	4,200	4,200	4,200
Independent examiner's fees	500	500	500
Legal & consultancy fees	1,200	1,200	3,124
	5,900	5,900	7,824

8. Fixed asset Investments

The charity had one subsidiary during the year:

- (1) Bangor Street Limited was incorporated on 1 December 2015 to manage the Bangor Street Community Centre on behalf of the charity. Bangor Street Limited is 100% owned by the charity. The charity holds one ordinary share of £1 in Bangor Street Limited.

A summary of the unaudited trading results for the period ended 31 March 2021 is shown below:

Bangor Street Limited	2021 Total £	2020 Total £
Profit and loss account		
Turnover (all derived within the UK)	35,691	76,750
Direct costs	-	-
Gross profit	35,691	76,750
Administrative expenses	35,691	76,750
Profit/(loss) on ordinary activities before and after taxation	-	-
Retained in subsidiary	-	-
Member's Funds	1	1

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NOTES TO THE FINANCIAL STATEMENTS

9. Tangible fixed assets

	Investment property	Total
	£	£
Cost/valuation		
At 1 April 2020 & 31 March 2021	<u>275,000</u>	<u>275,000</u>
Accumulated depreciation		
At 1 April 2020 & 31 March 2021	<u>-</u>	<u>-</u>
Net book values		
At 31 March 2021	<u>275,000</u>	<u>275,000</u>
At 31 March 2020	<u>275,000</u>	<u>275,000</u>

The investment property was valued by Peter Conroy, an RICS registered valuer, in November 2014 at an open market value of £275,000. In the opinion of the trustees, this valuation remains reasonable.

10. Debtors

	2021	2020
	£	£
Trade debtors	1,009	-
Amounts owed by group company	5,997	7,993
	<u>7,006</u>	<u>7,993</u>

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NOTES TO THE FINANCIAL STATEMENTS

11. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	47,785	28,149
Other creditors	508	508
Accruals and deferred income	15,774	8,836
VAT Payable	3,946	2,056
	<u>68,013</u>	<u>39,549</u>

12. Analysis of net assets between funds

	Unrestricted Funds	Total funds
	£	£
Fund balances at 31 March 2021 as represented by:		
Tangible fixed assets	275,001	275,001
Current assets	300,100	300,100
Current liabilities	(68,013)	(68,013)
	<u>507,088</u>	<u>507,088</u>

13. Unrestricted funds

	£
Unrestricted funds	
At 1 April 2020	500,478
Incoming resources	109,527
Outgoing resources	102,917
At 31 March 2021	<u>507,088</u>

Purposes of unrestricted funds

All funds are available for the furtherance of the charity's objectives.