

CHARITY REGISTRATION NUMBER: 1127170

Tees Valley Muslim Community Centre
Unaudited Financial Statements

31 March 2021

GH SINGH

Chartered accountants
Chuhan & Singh Partnership Limited
81 Borough Road
Middlesbrough
TS1 3AA

Tees Valley Muslim Community Centre

Financial Statements

Year ended 31 March 2021

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Tees Valley Muslim Community Centre

Trustees' Annual Report

Year ended 31 March 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name	Tees Valley Muslim Community Centre
Charity registration number	1127170
Principal office	TS18 3TT

The trustees

Dr SM Qureshi
Mr SH Khan
Mr I Cheema
Mr M Ahmad
Dr RA Mustafa
Dr S Sabir
Mr A Ahmad
Mr G A Ahmed
Dr SHM A Arifulla

Bankers	HSBC Bank Plc 60 Albert Road Middlesbrough TS1 1RS
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Independent examiner	GH Singh Chuhan & Singh Partnership Limited 81 Borough Road Middlesbrough TS1 3AA
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Tees Valley Muslim Community Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Structure, governance and management

The Tees Valley Muslim Community Centre is a constituted charitable trust registered with the Charity Commission under charity number 1127170 and operates within the framework of its governing document. It is governed by a Constitution.

Organisational Structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits. The trustees meet together, as a body, monthly and are responsible for all decisions taken in relation to running the centre, the community facilities and the activities provided by the charity.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of the congregation and members of the charity. The trustees believe this approach ensures that good relations are fostered between the organisation and the people of the local community that we serve. In selecting new trustees, the existing trustees seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities. With the agreement of existing trustees the individual is then proposed as a new trustee at the subsequent trustees' meeting. This process allows for due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following appointment, new trustees are introduced to their new role and given copies of the charity's constitution and a guide to the policies and procedures adopted by the charity. A number of publications from the Charity Commission are also provided including guidance on charities and public benefit and on the advancement of religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project and reporting the progress at a trustees' meeting.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk assessment which identifies the major risks by area of activity, nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review these risk assessments regularly at their meetings and at meetings of the sub-committees on finance, buildings and day care centre. The trustees are satisfied that systems are in place, or arrangements in hand, to manage the risks that have been identified. In particular, insurance cover is in place and the finances of the organisation are kept under the review.

Use of volunteers

Volunteers are an important resource in both our faith and community work. Volunteers are involved in all of our faith and community activities and we have people giving their time on a regular basis.

Tees Valley Muslim Community Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Objectives and activities

Aims:

Prayer Facility

Educational Activities and Faith and Community Cohesion

Awareness of Health and Social Issues and Sporting Facilities

The objectives are set to reflect our faith and community aims. Each year the trustees review the objectives and activities to ensure they continue to reflect the aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit. Our dual aims remain to provide a facility where muslims can worship and to provide a community facility for all of the communities in the Stockton-on-Tees area. Our long term ambition is to build the self-confidence of muslims in their faith, and through our community facilities and activities help to make our area a peaceful, vibrant and harmonious community.

Prayer Facility

We aim to provide a designated place of worship for muslim residents of Ingleby Barwick and surrounding areas. These facilities will be for both males and females as well as children, the elderly and the disabled.

Education Activities and Faith and Community Cohesion

Seminars and courses will be held in the community centre in liaison with the local council and other organisations for islamic education, community cohesion, fostering relations between different faiths and general safety (e.g fire safety and traffic rules). Regular talks will be held on community and social and cultural issues to enable muslim and non muslim residents to support one another in their common goals of developing the communities. Seminars will be organised to provide resources for schools and the wider community, weekend sessions of tuition and help with school homework.

Awareness of Health and Social Issues and Sporting Facilities

Healthy living campaigns will be initiated and posters, leaflets and booklets will be provided coffee morning sessions will be organised. Some indoor sporting facilities will be provided, arrangements will be made for outdoor sporting trips as well as family day trips.

Achievements and performance

The charity carries out a wide range of activities religious and non religious that deliver public benefit in pursuance of its charitable aims. The trustees consider that these activities, previously mentioned, are in accordance with the Charity Commission's guidance and provide benefit to the wider community of Ingleby Barwick and communities further afield.

Last year the charity raised sufficient funds to buy the building it uses. The trustees would like to thank all members of the community that helped to achieve this goal. Ownership of the property will provide stability to the charity going forward.

Tees Valley Muslim Community Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2021

Financial review

The Trustees are satisfied with the financial position of the charity and there are no concerns regarding the charity's ability to continue in the future.

It is the policy of the charity to maintain free reserves that are sufficient to cover management, administration and running costs of the charity for a period of twelve months.

The excess of income over expenditure for the year was £28,446. The total unrestricted reserves at 31st March 2021 were £607,807. The free reserves of the charity, being those reserves not represented by fixed assets, were £15,945 at the 31 March 2021. These reserves are well within the charity's target reserves.

Principal funding sources

The principal sources of funding during the year were donations and rental income. The trustees consider the results of the charity during the year to be satisfactory.

Plans for future periods

The trustees intend to maintain and expand the charity's activities in the future, having purchased a suitable property as a permanent base for the charity.

The trustees' annual report was approved on 20/01/2022 and signed on behalf of the board of trustees by:



M. M. Ahmad
Trustee

Tees Valley Muslim Community Centre

Independent Examiner's Report to the Trustees of Tees Valley Muslim Community Centre

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of Tees Valley Muslim Community Centre ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

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

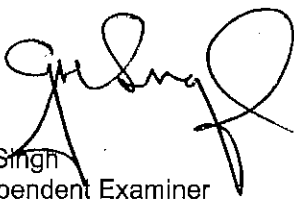
I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

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



GH Singh
Independent Examiner

Chuhan & Singh Partnership Limited
81 Borough Road
Middlesbrough
TS1 3AA

20/01/2022

Tees Valley Muslim Community Centre

Statement of Financial Activities

Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	14,333	—	14,333	172,416
Investment income	5	21,285	—	21,285	—
Total income		<u>35,618</u>	<u>—</u>	<u>35,618</u>	<u>172,416</u>
Expenditure					
Expenditure on charitable activities	6,7	7,172	—	7,172	16,088
Total expenditure		<u>7,172</u>	<u>—</u>	<u>7,172</u>	<u>16,088</u>
Net income and net movement in funds		<u>28,446</u>	<u>—</u>	<u>28,446</u>	<u>156,328</u>
Reconciliation of funds					
Total funds brought forward		308,485	270,876	579,361	423,033
Total funds carried forward		<u>336,931</u>	<u>270,876</u>	<u>607,807</u>	<u>579,361</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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

Tees Valley Muslim Community Centre

Statement of Financial Position

31 March 2021

		2021	2020 (restated)
	Note	£	£
Fixed assets			
Tangible fixed assets	10	591,862	591,862
Current assets			
Cash at bank and in hand		15,945	69,499
Creditors: amounts falling due within one year	11	—	82,000
Net current assets		<u>15,945</u>	<u>(12,501)</u>
Total assets less current liabilities		<u>607,807</u>	<u>579,361</u>
Funds of the charity			
Restricted funds		—	509,203
Unrestricted funds		607,807	70,158
Total charity funds	12	<u>607,807</u>	<u>579,361</u>

These financial statements were approved by the board of trustees and authorised for issue on 20/01/2022 and are signed on behalf of the board by:



Mr M Ahmad
Trustee

Tees Valley Muslim Community Centre

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Pragnell House, Sopwith Close, Preston Farm, Stockton-on-Tees, TS18 3TT.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

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.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Tees Valley Muslim Community Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tees Valley Muslim Community Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Donations and legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Donations			
Donations	<u>14,333</u>	<u>—</u>	<u>14,333</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	<i>(restated)</i> £
Donations			
Donations	<u>(65,911)</u>	<u>238,327</u>	<u>172,416</u>

5. Investment Income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	<i>(restated)</i> £
Income from investment properties	<u>21,285</u>	<u>21,285</u>	<u>—</u>	<u>—</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	<i>(restated)</i> £
Community centre activities	<u>7,172</u>	<u>7,172</u>	<u>16,088</u>	<u>16,088</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds 2021	Total fund 2020
	£	£	£
Community centre activities	<u>7,172</u>	<u>7,172</u>	<u>16,088</u>

8. Independent examination fees

	2021	2020
	£	<i>(restated)</i> £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>881</u>	<u>881</u>

9. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Tees Valley Muslim Community Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Tangible fixed assets

	Land and buildings £
Cost	
At 1 April 2020 (as restated) and 31 March 2021	<u>591,862</u>
Depreciation	
At 1 April 2020 and 31 March 2021	<u>—</u>
Carrying amount	
At 31 March 2021	<u>591,862</u>
At 31 March 2020	<u>591,862</u>

11. Creditors: amounts falling due within one year

	2021	2020 <i>(restated)</i>
	£	£
Bank loans and overdrafts	<u>—</u>	<u>82,000</u>

12. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income £	Expenditure £	Transfers £	At 31 March 2021
General funds	<u>308,485</u>	<u>35,618</u>	<u>(7,172)</u>	<u>270,876</u>	<u>607,807</u>

	At 1 April 2019	Income £	Expenditure £	Transfers £	At 31 March 2020
General funds	<u>152,157</u>	<u>(65,911)</u>	<u>(16,088)</u>	<u>—</u>	<u>70,158</u>

Restricted funds

	At 1 April 2020	Income £	Expenditure £	Transfers £	At 31 March 2021
Restricted Fund 1 - Building fund	<u>270,876</u>	<u>—</u>	<u>—</u>	<u>(270,876)</u>	<u>—</u>

	At 1 April 2019	Income £	Expenditure £	Transfers £	At 31 March 2020
Restricted Fund 1 - Building fund	<u>270,876</u>	<u>238,327</u>	<u>—</u>	<u>—</u>	<u>509,203</u>

Tees Valley Muslim Community Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

12. Analysis of charitable funds *(continued)*

During the year the balance of the restricted reserves was transferred to unrestricted reserves due to the completion of the purchase of the property.

13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	591,862	—	591,862
Current assets	15,945	—	15,945
Net assets	607,807	—	607,807

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	82,659	509,203	591,862
Current assets	69,499	—	69,499
Net assets	152,158	509,203	661,361

14. Prior year adjustments

There is a prior year adjustment, included in the restated figures for the previous year, being an adjustment for donations of £82,000 reclassified as loans. These were short term loans provided by members of the congregation at short notice to enable the charity to buy the property at the end of the previous year.

The effect of this prior year adjustment on the reserves brought forward at the start of the year is:

Original Profit Loss Reserves	£152,158
Less: Prior year adjustment	(£82,000)
	=====
Restated reserves	£70,158
	=====

15. Related parties

There have been no related party transactions that require disclosure during the reporting period.

Tees Valley Muslim Community Centre
Management Information
Year ended 31 March 2021

The following pages do not form part of the financial statements.

Tees Valley Muslim Community Centre

Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	<u>14,333</u>	<u>172,416</u>
Investment Income		
Income from investment properties	<u>21,285</u>	<u>-</u>
Total Income	<u>35,618</u>	<u>172,416</u>
Expenditure		
Expenditure on charitable activities		
Rent	-	8,695
Rates and water	654	852
Light and heat	1,821	3,072
Insurance	2,197	2,558
Other office costs	-	30
Accountancy fees	<u>2,500</u>	<u>881</u>
	<u>7,172</u>	<u>16,088</u>
Total expenditure	<u>7,172</u>	<u>16,088</u>
Net Income	<u>28,446</u>	<u>156,328</u>

Tees Valley Muslim Community Centre
Notes to the Detailed Statement of Financial Activities
Year ended 31 March 2021

	2021 £	2020 £
Expenditure on charitable activities		
Community centre activities		
<i>Activities undertaken directly</i>		
Community centre activity - room hire	–	8,695
Community centre activity - rates & water	654	852
Community centre activity - light & heat	1,821	3,072
Community centre activity - Insurance	2,197	2,558
Community centre activity - other office costs	–	30
Community centre activity - accountancy fees	2,500	881
	<u>7,172</u>	<u>16,088</u>
 Expenditure on charitable activities	 <u>7,172</u>	 <u>16,088</u>