

Company Registered number: 07031673
Charity Registered number: 1137219

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited
by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 AUGUST 2022

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
COMPANY INFORMATION

Trustees

Professor David Ford (resigned 21 May 2022)
Professor Muhammad Abdel Haleem
Professor Lejla Demiri
Dr Ali Almihtar
Dr Sohaira Zahid Siddiqui
Dr Timothy Winter
Mr Mustafa Davies (appointed 4 December 2021)
Dr Haroon Sidat (appointed 4 December 2021)
Mrs Fozia Irfan (appointed 8 July 2022)

COMPANY REGISTERED NUMBER

07031673 (England and Wales)

CHARITY REGISTERED NUMBER

1137219 (England and Wales)

REGISTERED OFFICE

14 St Paul's Road
Cambridge
CB1 2EZ

AUDITORS

Chater Allan LLP
Statutory Auditors
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

PRINCIPAL BANKERS

HSBC Bank PLC
63-64 St Andrews Street
Cambridge
CB2 3BZ

SOLICITORS

Ashton Legal Solicitors Cambridge
Chequers House
77-81 Newmarket Road
Cambridge
CB5 2EU

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Trustees/Directors

The Trustees are pleased to present the Trustees Report together with the financial statements of Cambridge Muslim College ("the College") for the year ended 31 August 2022, which are prepared to meet the requirements for the Directors' Report and accounts for the purposes of Companies Act. Members of the Board of Trustees are 'Directors' for the purposes of company law and 'Trustees' for the purpose of charity law. They will be referred to as Trustees throughout this document and for the purposes of the financial statements.

DIRECTORS AND MEMBERS OF THE BOARD OF TRUSTEES

The Directors and Members of the Board of Trustees who served during the year can be found under the Company Information section (page 1).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Memorandum and Articles of Association Incorporated 28 September 2009.

Appointment of trustees

Trustees are elected by simple majority. Candidates must be nominated by a member entitled to vote, no less than fourteen days, nor greater than thirty-five days before the date of the meeting. Such nominations are signed by the nominator and the nominee accompanied by all details required by Companies House and the Charity Commission for England and Wales.

New trustees are made familiar with the College's operations, and other issues relevant to the trustees' duties.

Risk management

The agenda of each Annual General Meeting contains an item under which the trustees consider potential risks faced by the College, which is considered sufficient to identify and manage risk.

Arrangements for setting pay and remuneration of key management personnel

The College commissioned a professional Rewards company to review and help determine staff pay for all levels. Using salary data for the HE and charity sectors, the College developed pay ranges across job roles and the varying levels. Presenting two pay range options, the Board approved the salary range best suited to the College's need and made a fiscally responsible decision to opt for the lower range for the academic year 2022-23.

Day to day delegation of management

Working under the overall direction of the Board of Trustees, the College management team, headed by the Principal, is entrusted to perform and oversee the day-to-day operational functions of the College.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

OBJECTIVES AND ACTIVITIES

The College endeavours to advance the religion of Islam for the public benefit, in accordance with the beliefs and practices of the four recognised Sunni schools of thought. It strives to provide education and training to Muslim leaders and scholars to work in the United Kingdom and elsewhere, and through this to promote and advance religious and racial harmony within the United Kingdom.

PUBLIC BENEFIT

The College welcomes applications from both genders and intends to enhance greater participation by women in the life of the Muslim community. With the aim to facilitate access to higher education among its graduates, the College admits students based on merit alone, regardless of one's financial need. To this effect, after careful consideration, the College has provided full financial assistance to an average of 10-15 students, covering the cost of tuition fees and/or accommodation and living cost.

Serving not only the interests of the Muslim community, the College encourages Muslim faith leaders to play a leading part in building bridges with other religious groups, in order to enhance social cohesion and mobility, and to overcome negative perceptions of Muslims in society.

REVIEW OF ACTIVITIES

The second cohort of students for our BA in Islamic Studies, accredited by the Open University, have completed their second year of studies. The third cohort of BA students completed their foundational year of Arabic Language tuition and started their first year of BA studies in September 2022. The BA has officially been revalidated by the Open University for the next five years and our academic advisors continue to be very satisfied with its ongoing evolution.

Our Postgraduate Diploma in Islamic Psychology continues to be highly popular and successful. The graduates from the first cohort are putting their training into practice professionally, while some are contributing to ongoing research with the College. We also have created student support roles which are filled by graduates from the previous cohort to support students in the current cohort. Our admissions team continues to get inquiries weekly from prospective applicants for the programme, so we are anticipating an equally high volume of applicants again for the third round of admissions in 2023.

Preparations have begun to bring back our popular Diploma in Contextual Islamic Studies and Leadership. The academic team has reviewed the feedback from previous cohorts, run a feasibility study and have revised and updated the curriculum to meet the needs of current potential applicants. Admissions for this programme are planned to open in early 2023 alongside our two other academic programmes.

The College arranged several public lectures and events (online and virtually) given by internationally-known speakers in various subject areas of interest to the College. More online courses are being developed, and it is hoped these will also serve to prove an effective shop-window for would-be future full-time students and/or future Patrons, Donors & supporters.

The College has hired several new academic and administrative staff to support the college's growth and facilitate the increase in numbers of programmes and students. We also have acquired a new building that will increase our capacity for teaching students, with three additional classrooms and academic offices. We plan to occupy the new building by Spring 2023.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW

Incoming resources for the year amounted to £2,716,808 (2021: £3,340,426), which was mainly comprised of donations. Expenditure amounted to £1,320,458 (2021: £922,152), mainly on staffing, scholarships and educational resources.

The closing balance of total reserves is £7,736,190 which has increased from £6,356,787 from the previous year. Restricted reserves totalled £963,595 an increase of £899,003 in the previous year.

The College is dependent on donated income, which by its very nature is an uncertain. The Trustees aim to have a reserve level of approximately 6 months of expenditure. This is slightly higher than if income was more certain. Unrestricted expenditure for 6 months is estimated at £527,526. Free reserves at the end of the year were £1,485,025.

PLANS FOR FUTURE PERIODS

The Trustees are very satisfied with the progress of the BA & the launch of the Postgraduate Diploma in Islamic Psychology, and therefore have approved the renewal of the Postgraduate Diploma for 2022/23. Further research activity is now being sponsored by the University of Birmingham and the John Templeton foundation, amongst others.

The Trustees are continuing to work on the launch of a revived taught Diploma in Contextual Islamic Studies, a further expansion of Research activity, online/virtual Continuing Education courses and exploring avenues for securing endowments for the College. Recently the College has started to hold outdoor events, and with the expansion of student activity that all of this entails, the College has been raising funds to expand its facilities.

GOING CONCERN

The financial statements of the College have been prepared on the going concern basis, which the Trustees believe to be appropriate.

With the hiatus caused by COVID-19 now behind us, the College has been able to resume its in-house events, as well as venture out to the rest of the UK; bringing the College to the people. The ability to hold events once more provides the College with alternative income streams, and allows for greater public engagement, which translates to donations.

Most importantly, the College has been able to resume, in full, face-to-face tuition for its BA in Islamic Studies. This provides greater stability and focus for students, which ultimately allows the College to retain donors. In addition to this, with the cash purchase of a new building, thanks to supporters and staff alike, the debt position of the College remains low, whilst allowing for the uptake of more programmes and events.

The going concern assumption is supported by the Trustees review of the Colleges cash flow for the forthcoming period of 12 months from the date of signing the financial statements.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the income, expenditure, and financial activities of the charity for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies, then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 College 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 College, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the College's auditors are unaware, and each Trustee has taken steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Chater Allan LLP will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report, which has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small entities.

This report was approved by the Trustees on 11th March 2023 and signed on their behalf, by:

DocuSigned by:

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Dr Sohaira Zahid Siddiqui
Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)**

Opinion

We have audited the financial statements of Cambridge Muslim College, (the charitable company) for the year ended 31 August 2022 which comprise Statement of Financial Activities, the Balance Sheet, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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.
- 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 Auditor's 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 trustees' annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)**

Other information (continued)

We have nothing to report in this regard.

Matters on which we are to required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- The charitable company has not kept adequate accounting records; or
- The Financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require of 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 purpose 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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:

- We identified the laws and regulations applicable to the charitable company through discussions with Directors and other management, and from our knowledge and experience of the education sector;
- We obtained an understanding of the legal and regulatory framework applicable to the charitable company and how it is complying with that framework;
- We obtained an understanding of the charitable company's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)**

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

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

- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy 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:

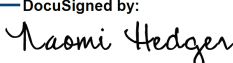
- Agreeing financial statement disclosures to underlying supporting documentation;
- Reviewing minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims.

Through the above procedures, we did not become aware of any actual or suspected non-compliance with laws and regulations. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors report

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 auditor's 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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Naomi Hedger (Senior Statutory Auditor)
For and on behalf of Chater Allan LLP
Chartered Accountants & Statutory Auditors
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

Date: 09 May 2023

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CAMBRIDGE MUSLIM COLLEGE LIMITED**(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds	Restricted Fund	2022 Total Funds	2021 Total Funds
		£	£	£	£
Income from:					
Grants and donations	2	1,182,707	1,252,609	2,435,316	3,159,695
Charitable activities	4	229,822	4,000	233,822	169,942
Other trading activities	3	47,670	-	47,670	10,789
Total income		<u>1,460,199</u>	<u>1,256,609</u>	<u>2,716,808</u>	<u>3,340,426</u>
Expenditure on:					
Charitable activities	5	1,055,053	265,405	1,320,458	922,152
Total expenditure	7	<u>1,055,053</u>	<u>265,405</u>	<u>1,320,458</u>	<u>922,152</u>
Net (losses)/gains on investments		(16,947)	-	(16,947)	7,010
Net income/(expenditure)		<u>388,199</u>	<u>991,204</u>	<u>1,379,403</u>	<u>2,425,284</u>
Transfer between funds		92,201	(92,201)	-	-
Net movement in funds		<u>480,400</u>	<u>899,003</u>	<u>1,379,403</u>	<u>2,425,284</u>
Reconciliation of funds:					
Total funds brought forward		6,292,195	64,592	6,356,787	3,931,503
Total funds carried forward		<u>6,772,595</u>	<u>963,595</u>	<u>7,736,190</u>	<u>6,356,787</u>

Continuing Operations

None of the charity's activities were discontinued during the current or previous year. All of the charity's activities are continuing.

The notes on pages 12 to 19 form part of these financial statements.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
BALANCE SHEET
AS AT 31 AUGUST 2022

Registered number: 07031673

	Notes	2022	2021
		£	£
Fixed Assets			
Tangible assets	10	5,236,353	5,688,748
Investments	11	51,176	67,343
		<u>5,287,529</u>	<u>5,756,091</u>
Current Assets			
Debtors	12	236,158	24,572
Cash at bank and in hand		2,546,477	991,832
		<u>2,782,635</u>	<u>1,016,404</u>
Liabilities			
Creditors: amounts falling due within one year	13	(333,974)	(415,708)
Net Current Assets		<u>2,448,661</u>	<u>600,696</u>
Liabilities			
Creditors: amounts falling due within one year		-	-
Net Assets		<u>7,736,190</u>	<u>6,356,787</u>
The funds of the charity:			
Restricted Funds	15	963,595	64,592
Unrestricted Funds	15	6,772,595	6,292,195
Total charity funds		<u>7,736,190</u>	<u>6,356,787</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board of directors on 11th March 2023 and signed on its behalf by:

DocuSigned by:

E11FB25261E74B6
Dr Sohaira Zahid Siddiqui
Trustee

The notes on pages 12 to 19 form part of these financial statements.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by operating activities	<u>1,210,092</u>	<u>2,535,281</u>
Cash flows from investing activities:		
Acquisition of investments	(780)	(797)
Disposal of investments	-	2,943
Purchase of property, plant, and equipment	-	(2,189,950)
Disposals of property, plant, and equipment	345,333	-
Net cash provided by investing activities	<u>344,553</u>	<u>(2,187,804)</u>
Change in cash and cash equivalents in the reporting period	<u>1,554,645</u>	<u>347,477</u>
Cash and cash equivalents at the beginning of the reporting period	991,832	644,355
Cash and cash equivalents at the end of the reporting period	<u><u>2,546,477</u></u>	<u><u>991,832</u></u>
Cash and cash equivalents at the end of the reporting period		
Cash at bank and in hand	2,546,477	991,832
	<u><u>2,546,477</u></u>	<u><u>991,832</u></u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
	2022 £	2021 £
Net income/ (expenditure) for the reporting period	1,379,403	2,425,284
Adjustments for:		
Depreciation charges	107,062	83,194
(Gains)/losses on investments	16,947	(7,010)
(Increase)/decrease in debtors	(211,586)	59,281
Increase/(decrease) in creditors	(81,734)	(25,468)
Net cash provided by operating activities	<u><u>1,210,092</u></u>	<u><u>2,535,281</u></u>

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and 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 (FRS102) (effective 1 January 2015) and the Companies Act 2006.

Cambridge Muslim College meets the definition of a public benefit entity under FRS 102.

The presentation currency of the financial statements is the Pound Sterling (£).

1.2 Company status

The company is limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.2.1 Companies Act 2006

These financial statements have been prepared in accordance with the Companies Act 2006 with amendments to enhance the "True and Fair" view. The inclusion of an Income and Expenditure account is not deemed necessary as the information is disclosed in the Statement of Financial Activities

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the direction of the trustees in the furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting years; or
- The donor has imposed conditions, which must be met before the charity has unconditional entitlement.

Investment income is included when receivable.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. Expenditure includes any VAT which cannot be fully recovered.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

1.6 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Creditors and provisions

Creditors and provisions are recognised where Cambridge Muslim College has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.8 Going concern

The Trustees have a reasonable expectation that the college has adequate resources to continue in operational existence for the foreseeable future. The Trustees have considered the potential impact on the company of the global pandemic known as COVID-19. In the opinion of the Trustees there will be no material adverse effect on the company's ability to continue. The trustees believe the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	Not depreciated
Building	2% per annum straight line
Furniture and equipment	25% per annum straight line

The Trustees have estimated the value of land in proportion to the land and building and have considered that an estimate of 20% of the original purchase costs is reasonable and should not be depreciated.

1.10 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and opening carrying value (purchase date if later).

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted funds	Restricted Fund	2022 Total	2021 Total
	£	£	£	£
2. DONATIONS AND LEGACIES				
Donations	1,182,707	1,252,609	2,435,316	3,159,695
	<u>1,182,707</u>	<u>1,252,609</u>	<u>2,435,316</u>	<u>3,159,695</u>

3. TRADING ACTIVITIES

Rental income	46,196	-	46,196	10,126
Other trading activities	1,474	-	1,474	663
	<u>47,670</u>	<u>-</u>	<u>47,670</u>	<u>10,789</u>

4. INCOME FROM CHARITABLE ACTIVITIES

Education and teaching	229,822	4,000	233,822	169,942
	<u>229,822</u>	<u>4,000</u>	<u>233,822</u>	<u>169,942</u>

5. CHARITABLE EXPENDITURE AND GOVERNANCE COSTS

Education and teaching (including depreciation)	375,667	265,405	641,072	464,980
Support costs (note 6)	674,026	-	674,026	452,372
Governance costs	5,360	-	5,360	4,800
	<u>1,055,053</u>	<u>265,405</u>	<u>1,320,458</u>	<u>922,152</u>

The charity incurs support costs in the form of fundraising and administration costs and are allocated on a 50:50 basis between charitable activities and other general activities.

6. SUPPORT COSTS

Education and teaching	337,013	-	337,013	226,186
Other general activities	337,013	-	337,013	226,186
	<u>674,026</u>	<u>-</u>	<u>674,026</u>	<u>452,372</u>

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7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs	Depreciation & Amortisation	Other Costs	2022 Total	2021 Total
	£	£	£	£	£
Education, teaching and admin	231,610	107,062	302,400	641,072	464,980
Support costs	317,741	-	356,285	674,026	452,372
Governance costs	-	-	5,360	5,360	4,800
	<u>549,351</u>	<u>107,062</u>	<u>664,045</u>	<u>1,320,458</u>	<u>922,152</u>

8. NET INCOME

	2022	2021
	£	£
The excess of expenditure over income is stated after charging:		
Depreciation of fixed assets - owned by the charity	107,062	83,194
Auditors' remuneration	5,360	4,800
	<u>112,422</u>	<u>88,000</u>

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	486,155	301,851
Social security costs	48,416	31,019
Other pension costs	14,780	17,148
	<u>549,351</u>	<u>350,018</u>

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

	2022	2021
Project workers and administrative staff	<u>13</u>	<u>8</u>

One employee received remuneration greater than £60,000 in this year (2021: one)

One member of the Board received remuneration of £nil (2021: £4,416) in his then capacity as the Dean.

One trustee received reimbursement of travelling expenses of £127. Donations totalling £1,000 were received from one trustee and £80,000 from a related party of one trustee.

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10. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture & Equipment £	Total £
Cost:			
At 1 September 2021	6,267,063	54,644	6,321,707
Additions	-	-	-
Disposals	(349,950)	-	(349,950)
At 31 August 2022	<u>5,917,113</u>	<u>54,644</u>	<u>5,971,757</u>
Depreciation:			
At 1 September 2021	586,086	46,873	632,959
Charge for year	99,291	7,771	107,062
Elimination on disposal	(4,617)	-	(4,617)
At 31 August 2022	<u>680,760</u>	<u>54,644</u>	<u>735,404</u>
Net book value:			
At 31 August 2022	<u>5,236,353</u>	<u>-</u>	<u>5,236,353</u>
At 31 August 2021	<u>5,680,977</u>	<u>7,771</u>	<u>5,688,748</u>

Fixed assets are all used for charitable purposes.

11. INVESTMENTS

	2022 £	2021 £
At 1 September 2021	67,343	62,479
Additions	780	797
Disposals	-	(2,943)
Realised gains/(losses)	-	-
Unrealised (losses)/gains	(16,947)	7,010
At 31 August 2022	<u>51,176</u>	<u>67,343</u>

The historical cost of the investments at 31 August 2022 was £42,804.

12. DEBTORS

	2022 £	2021 £
Prepayments and accrued income	108,685	5,422
Other debtors	127,473	19,150
	<u>236,158</u>	<u>24,572</u>

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	2022	2021
	£	£
13. CREDITORS: amounts falling due within one year		
Social security and other taxes	22,723	9,219
Other creditors	16,402	7,594
Accruals and deferred income	294,849	241,395
Long term loan - current portion	-	157,500
	<u>333,974</u>	<u>415,708</u>

The loan is payable by equal instalments of £157,500 per annum. During the year, the last repayment was waived by the lender.

The loan is secured on the Perne Road property.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	2022 Total	2021 Total
	£	£	£	£
Fixed assets	5,287,529	-	5,287,529	5,756,091
Current assets	1,819,040	963,595	2,782,635	1,016,404
Current liabilities	(333,974)	-	(333,974)	(415,708)
Long term loan	-	-	-	-
	<u>6,772,595</u>	<u>963,595</u>	<u>7,736,190</u>	<u>6,356,787</u>

15. MOVEMENT IN FUNDS

	At 1 September 2021	Incoming Resources	Outgoing Resources	Transfers	At 31 August 2022
	£	£	£	£	£
Unrestricted Funds	6,292,195	1,460,199	(1,072,000)	92,201	6,772,595
Restricted Funds:					
COSARAF Fund	-	4,000	(4,000)	-	-
Aziz Foundation Fund	-	80,000	(80,000)	-	-
Perne Road Fund	-	100,041	-	(100,041)	-
BCI	17,181	-	(17,060)	-	121
Randeree	-	56,520	(56,520)	-	-
Al Tarmidhi Foundation	616	-	-	-	616
Templeton	7,145	55,590	(70,575)	7,840	-
Zouq Foundation	16,150	-	(16,150)	-	-
Salonica	13,500	-	(13,500)	-	-
Alassar	10,000	-	(7,600)	-	2,400
University of Birmingham	-	15,000	-	-	15,000
20 Cambridge Place	-	945,458	-	-	945,458
	<u>64,592</u>	<u>1,256,609</u>	<u>(265,405)</u>	<u>(92,201)</u>	<u>963,595</u>
Total funds	<u>6,356,787</u>	<u>2,716,808</u>	<u>(1,337,405)</u>	<u>-</u>	<u>7,736,190</u>

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16. Restricted Funds

COSARAF -The Donation will be used to fund one scholarship per academic year for the BA (Hons) in Islamic Studies at the Cambridge Muslim College. The scholarship will be known as the Sheikh Family Scholarship.

Aziz Foundation - Muslim Leadership Development - to support the employment of 1x Professor (90% of his salary), 1x College Lecturer and 1x Student Mentor/Chaplain.

Perne Road Fund (Balance Sheet contribution) - Donations received in the year to be spent on repaying the long term loan in respect of the 77 Perne Road acquisition.

BCI - All the course costs (eg. tuition, accommodation, living, materials etc.) of a student selected by the College.

Randeree - Tuition fees and related costs of designated students (excluding support they are getting from other external scholarships).

Al Tarmidhi Foundation - Tuition fees and living costs of one student.

Templeton - Defined research activity.

Zouq Foundation - Tuition and/or accommodation for financially needy students of any programme.

Salonica - Tuition and/or accommodation for financially needy students of any programme and research activity not already funded by other grants.

Alassar - Tuition and/or accommodation for financially needy students of any programme.

University of Birmingham - Grant associated with the Global Philosophy of Religion project

20 Cambridge Place - Donations towards the expansion of the College through a building purchase.

17. SHARE CAPITAL

The company is limited by guarantee and as such has no share capital.

18. RELATED PARTY TRANSACTIONS

The charity is not controlled by any one individual. During the year there were no material related party transactions except for those already disclosed in note 9.

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19. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted Fund £	0 Total funds £
Income from:			
Donations and legacies	2,932,803	226,892	3,159,695
Charitable activities	110,098	59,844	169,942
Other trading activities	9,439	1,350	10,789
Total income	<u>3,052,340</u>	<u>288,086</u>	<u>3,340,426</u>
Expenditure on:			
Charitable activities	712,322	209,830	922,152
Total expenditure	<u>712,322</u>	<u>209,830</u>	<u>922,152</u>
Net (losses)/gains on investments	7,010	-	7,010
Net income/(expenditure)	<u>2,347,028</u>	<u>78,256</u>	<u>2,425,284</u>
Transfer between funds	16,171	(16,171)	-
Net movement in funds	<u>2,363,199</u>	<u>62,085</u>	<u>2,425,284</u>
Reconciliation of funds:			
Total funds brought forward	3,928,996	2,507	3,931,503
			-
Total funds carried forward	<u>6,292,195</u>	<u>64,592</u>	<u>6,356,787</u>