

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020
FOR
SEFTON MULTICULTURAL CENTRE
(A charitable company limited by guarantee)

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FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

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**LEGAL AND ADMINISTRATIVE DETAILS
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

DIRECTORS:	Munsoor Ali Hasnain Raza Hussain Ahmed Ali Mohamoad Suleman Miah
REGISTERED OFFICE:	Deepdene 15 Victoria Road Waterloo Liverpool Merseyside L22 1RP
COMPANY NUMBER:	12361695 (England and Wales)
CHARITY NUMBER:	1187822 (England and Wales)
INDEPENDENT EXAMINER:	David S Glover FCA John Kerr - Chartered Accountants 375 Eaton Road West Derby Liverpool Merseyside L12 2AH

SEFTON MULTICULTURAL CENTRE**REPORT OF THE DIRECTORS (INCORPORATING THE TRUSTEES' ANNUAL REPORT)
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

The directors of the company (who are also charity trustees for the purposes of charity law), present their report with the financial statements of the charitable company for the period ended 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The legal and administrative details set out on page 1 form part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the 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) issued in October 2019.

OUR PURPOSES AND ACTIVITIES

The purposes and activities of the charitable company are to promote for the inhabitants of Sefton in Merseyside without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the Local Authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and other leisure time occupations with the objects of improving the conditions of life of the said inhabitants; and, to secure the establishment of a Community Centre and to maintain and manage the centre in furtherance of these objects.

The principal activity of the charitable company to date and in the period under review was that of the raising and collection of donations to be used for the funding and operation of a Community Centre.

In shaping our objectives for the period and planning our activities, the directors have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The charity will rely on the income from fees & charges to cover its operating costs. Affordability and access to our facilities is important to us and will be reflected in our pricing policy once the Community Centre has been established.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR THE FUTURE

The results for the period and financial position of the charitable company are as shown in the annexed financial statements. The charity intends to provide much needed facilities and anticipates that there will be a steady demand for these. The directors are continuing with the raising of funds to support the future operational plans. During the period the charitable company hired room space pending the raising of sufficient funds to enable it to acquire its own suitable premises.

RESERVES POLICY AND GOING CONCERN

Reserves will be needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure once the Community Centre is established. The directors will establish a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') to be held by the charity should be between 3 and 6 months of the resources expended in general funds. At this level, the directors feel that they would be able to continue the proposed activities of the charity in the event of a significant drop in funding.

In preparing the accounts, the directors consider that the charitable company has sufficient resources to continue present operations for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 12 December 2019 and registered as a charity on 7 February 2020. Members of the charitable company guarantee to contribute an amount not exceeding £10 in the event of the charity winding up. The company is governed by the policies made from time to time by the directors together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The procedures for the appointment, retirement and removal of directors are set out in the Articles. All directors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The day-to-day operational aspects of the charity are currently undertaken by the directors.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 12 December 2019 to the date of this report.

Munsoor Ali, Hasnain Raza, Hussain Ahmed Ali and Mohamoad Suleman Miah

**REPORT OF THE DIRECTORS
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

RELATED PARTIES

None of the directors receive remuneration or other financial benefit from their work with the charity and any contractual relationship with a related party must be disclosed to the full board. In the current period, no such related party transactions were reported.

RISK MANAGEMENT

The directors have a risk management strategy which comprises: an annual review of the principal risks and uncertainties that the charity faces and, the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The ability to raise sufficient funds to establish the proposed Community Centre is the major financial risk for the charity.

Attention has also been focused on non-financial risks arising from child protection and health & safety. These risks are managed by ensuring procedures and accreditations are up to date, having robust policies in place, and regular awareness training for directors and volunteers in these operational areas.

Standards are monitored internally to ensure consistent quality of delivery for all operational aspects of the charity.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 the financial statements, they are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

The directors are responsible for keeping proper accounting records that 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD OF DIRECTORS:

Munsoor Ali - Director

6 September 2021

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE)
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

	Notes	£
Unrestricted income funds:		
Income: Donations		27,208
Expenditure:		
Room hire		1,160
Governance and reporting		1,273
Total expenditure		2,433
Net income for the period and net movement in funds	4	24,775
Reconciliation of funds:		
Total funds carried forward		24,775

The statement of financial activities incorporates the income and expenditure account and includes all gains and losses recognised in the period. All income and expenditure derives from continuing activities.

BALANCE SHEET
31 DECEMBER 2020

	Notes	£
CURRENT ASSETS		
Cash at bank and in hand		25,388
LIABILITIES		
Creditors falling due within one year	6	<u>613</u>
NET CURRENT ASSETS		<u>24,775</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,775</u>
THE FUNDS OF THE CHARITY		
Unrestricted income funds	7	<u>24,775</u>
		<u>24,775</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its income and expenditure for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved and authorised for issue by the Board of Directors on 6 September 2021 and were signed on its behalf by:

Munsoor Ali - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

1. STATUTORY INFORMATION AND LEGAL STATUS OF THE CHARITY

Sefton Multicultural Centre is a charitable private company, limited by guarantee, registered in England and Wales and has no share capital. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company. The company's registered number and registered office address can be found on page 1. The charitable company is a Public Benefit Entity.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the 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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on a going concern basis

In preparing the accounts, the directors have taken account of the financial resources available to the charity and consider that the charity should be able to continue operations for the foreseeable future.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met: the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity; there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably. The value of services provided by volunteers has not been included in these accounts.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the period was nil. The directors were not paid, nor did they receive any other benefits from employment with the charity in the period neither were they reimbursed expenses during the period. No director received payment for professional or other services supplied to the charity.

4. NET INCOME

Net income is stated after charging:

	£
Independent examination and accountancy fees	600
Company and charity formation costs	660

5. TAXATION

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Accrued expenses	<u>613</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020

7. ANALYSIS OF CHARITABLE FUNDS

	Unrestricted income funds £
Incoming resources	27,208
Outgoing resources	<u>(2,433)</u>
At 31 December 2020 represented by total assets less current liabilities	<u><u>24,775</u></u>

9. POST BALANCE SHEET EVENTS

Since the period end, the continuing COVID-19 pandemic has created a major challenge with a high level of uncertainty for many charities. The directors have taken prompt action to monitor the Charity's position. Whilst the impact of the COVID-19 situation cannot be accurately predicted and it is not possible to assess all possible implications for the Charity, based on assessments carried out, the Charity believes that it has a financial position that will enable it to navigate through the pandemic.

**INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF DIRECTORS
OF SEFTON MULTICULTURAL CENTRE**

I report to the board of directors on my examination of the accounts of the charitable company for the period from 12 December 2019 to 31 December 2020 which are set out on pages 4 to 7.

This report is made to the charity's board of directors, as a body, in accordance with the terms of the engagement. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the directors, as a body, for my work or for this report.

Responsibilities and basis of report

As the board of directors of the company (and also its trustees for the purposes of charity law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011' Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

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

- 1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those accounting records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the 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).

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.

David S Glover FCA
John Kerr - Chartered Accountants
375 Eaton Road
West Derby
Liverpool
Merseyside L12 2AH

6 September 2021

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD 12 DECEMBER 2019 TO 31 DECEMBER 2020**

	£	£
Income:		
Donations		27,208
Expenditure:		
Room hire	1,160	
Independent examination & accountancy	600	
Statutory filing fees	13	
Formation and registration	660	
		<u>2,433</u>
Net income		<u><u>24,775</u></u>