

REGISTERED COMPANY NUMBER: 13906100 (England and Wales)
REGISTERED CHARITY NUMBER: 1198128

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD 10 FEBRUARY 2022 TO 31 DECEMBER 2022
FOR
PRESTON MUSLIM EDUCATION COUNCIL

James Todd & Co
Greenbank House
141 Adelphi Street
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Lancashire
PR1 7BH

PRESTON MUSLIM EDUCATION COUNCIL

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for the Period 10 February 2022 to 31 December 2022

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PRESTON MUSLIM EDUCATION COUNCIL

REPORT OF THE TRUSTEES **for the Period 10 February 2022 to 31 December 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 10 February 2022 to 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

INCORPORATION

The charitable company was incorporated on 10 February 2022.

OBJECTIVES AND ACTIVITIES

Public Benefit Statement

The objects of the charity are the advancement of the Islamic faith, and to advance education.

In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and for the advancement of religion.

Significant activities

The charity promotes education with the provision of the school premises for The Preston Muslim Girls' High School.

Volunteers

The charity is dependent upon its volunteers, who are its trustees, and they perform the charity's work, including all administrative functions.

FINANCIAL REVIEW

Financial position

The company was established on 10 February 2022. Its purpose was to incorporate the affairs of an unincorporated charity. The property owned by the unincorporated charity was transferred to the company in June 2022 and as its predecessor had prepared its financial statements for the year ended 31 August, these accounts include the activities of the charity with effect from 1 September 2022 to its period end date of 31 December 2022 (four months) merged with the antecedent period.

The transfer of the activities of the antecedent charity and its property has been notified to and accepted by the Charity Commission.

The income declared on the Statement of Financial Activities reflects the inclusion of the property owned by the antecedent charity into this company's financial statements.

Investment policy and objectives

The charity receives income from donations and rents generated by investment properties. For the period ended 31 December 2022 the fund generated £124,310..

There are no restrictions on the charity's power to invest. The trustees decided to acquire an investment property so as to provide a regular source of income for the charity, and income from the investment property totalled £130,000.

PRESTON MUSLIM EDUCATION COUNCIL

REPORT OF THE TRUSTEES **for the Period 10 February 2022 to 31 December 2022**

FINANCIAL REVIEW

Reserves policy

The trustees have established a charity which contains an investment property. The aim of this is to ensure that from a commercial lease the charity has a guaranteed annual income, that is not dependant upon gifts, donations or legacies.

As the outgoings are kept to a minimum, the charity is able to meet all such costs from its annual income. However, the trustee's anticipate that costs will be incurred to enhance and refurbish the property owned by charity to provide a better resource for its tenants and the pupils of the high school. Any surplus can then be used to support beneficiaries of the charity.

The expenditure of the charity is dependent upon funds generated, and administrative costs are kept to a minimum. In view of this the charity has sufficient reserves to continue for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its memorandum and articles of association dated 10 February 2022, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The liability of members is limited to £1.

Recruitment and appointment of new trustees

Trustees are appointed by the board of trustees, who may also remove trustees should they become unfit to continue in office.

Organisational structure

The charity is managed by its trustees, who meet on a regular basis to address the business of the charity. No trustees receive any remuneration for their services.

Induction and training of new trustees

Training is provided on an ongoing basis and upon commencement for new trustees.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

13906100 (England and Wales)

Registered Charity number

1198128

Registered office

141 Adelphi Street
Preston
Lancashire
PR1 7BH

Trustees

Y A Bux Company Director (appointed 10.2.22)
I H Patel Charity Trustee (appointed 10.2.22)
A S Patel Charity Trustee (appointed 10.2.22)
A Bux Charity Trustee (appointed 10.2.22)
R Seth Charity Trustee (appointed 10.2.22)
A S Isap Charity Trustee (appointed 10.2.22)

PRESTON MUSLIM EDUCATION COUNCIL

REPORT OF THE TRUSTEES
for the Period 10 February 2022 to 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Mr R H Brain	FCA	BA(Hons)
James Todd & Co		
Greenbank House		
141 Adelphi Street		
Preston		
Lancashire		
PR1 7BH		

Approved by order of the board of trustees on 15 December 2023 and signed on its behalf by:

Y A Bux - Trustee

PRESTON MUSLIM EDUCATION COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES
for the Period 10 February 2022 to 31 December 2022

	Notes	Unrestricted fund £
INCOME AND ENDOWMENTS FROM		
Donations and legacies		82,605
Investment income	2	130,000
Total		212,605
EXPENDITURE ON		
Charitable activities		
Support Costs		88,295
NET INCOME		124,310
RECONCILIATION OF FUNDS		
Total funds brought forward		1,340,979
TOTAL FUNDS CARRIED FORWARD		1,465,289

The notes form part of these financial statements

PRESTON MUSLIM EDUCATION COUNCIL

BALANCE SHEET
31 December 2022

	Notes	Unrestricted fund £
FIXED ASSETS		
Investment property	5	1,447,923
CURRENT ASSETS		
Cash at bank		30,345
CREDITORS		
Amounts falling due within one year	6	(12,979)
NET CURRENT ASSETS		17,366
TOTAL ASSETS LESS CURRENT LIABILITIES		1,465,289
NET ASSETS		1,465,289
FUNDS	7	
Unrestricted funds		1,465,289
TOTAL FUNDS		1,465,289

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that 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 charitable company as at the end of each financial year and of its surplus or deficit 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 charitable company.

PRESTON MUSLIM EDUCATION COUNCIL

BALANCE SHEET - continued
31 December 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 December 2023 and were signed on its behalf by:

Y A Bux - Trustee

A Bux - Trustee

PRESTON MUSLIM EDUCATION COUNCIL

NOTES TO THE FINANCIAL STATEMENTS **for the Period 10 February 2022 to 31 December 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Rent is recognised on an accruals basis, and donations are recorded when received by the charity.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Property management costs are those costs incurred to assist the work of the charity, and are support costs in charitable activities. These costs are incurred to ensure that the charity receives the appropriate return from its property investment, and to protect the asset.

Governance costs are those costs that relate to the public accountability of the charity and its compliance with regulations and good practice. Costs of governance are recorded on an accruals basis and the trustees aim to keep these to a minimum.

Investment property

The investment property is initially shown at cost and subsequently at fair value at the reporting date. Any aggregate surplus or deficit being taken to "gains and losses on investment asset" on the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

PRESTON MUSLIM EDUCATION COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 10 February 2022 to 31 December 2022

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost. Basic financial liabilities, which include creditors, accruals, loans and borrowings, are initially recognised at transaction price and are subsequently carried at cost.

2. INVESTMENT INCOME

Rents receivable	£ 130,000
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3. SUPPORT COSTS

	Governance costs
Support Costs	£ 88,295

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 December 2022.

5. INVESTMENT PROPERTY

	£
FAIR VALUE	
Transfer from antecedent organisation	1,447,923
At 31 December 2022	1,447,923
NET BOOK VALUE	
At 31 December 2022	1,447,923

PRESTON MUSLIM EDUCATION COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 10 February 2022 to 31 December 2022

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£ 12,979
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7. MOVEMENT IN FUNDS

	At 10.2.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	1,340,979	124,310	1,465,289
TOTAL FUNDS	1,340,979	124,310	1,465,289

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	212,605	(88,295)	124,310
TOTAL FUNDS	212,605	(88,295)	124,310

8. CONTINGENT LIABILITIES

At the balance sheet date the charity was facing litigation regarding a property right of way dispute. This has yet to reach Court so the outcome is uncertain. The trustees are confident of a positive outcome in favour of the charity, so at present no losses regarding the litigation, or costs of the litigation, are provided for in the accounts.

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 December 2022.

10. ANALYSIS OF STATEMENT OF FINANCIAL ACTIVITIES COMPONENTS

	Pre Merger £	Post Merger £	Combined £
Income			
Rents receivable	130,000	0	130,000
Donations & legacies	0	82,605	82,605
Expenses			
Charitable activities & support costs	(85,079)	(3,216)	(88,295)
Net movement in funds	44,921	79,389	124,310

PRESTON MUSLIM EDUCATION COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 10 February 2022 to 31 December 2022

11. ANALYSIS OF PRINCIPAL SOFA COMPONENTS FOR THE PREVIOUS ACCOUNTING PERIOD

	Antecedent Organisation £	Charity Company £	Combined £
Total income	130,000	0	130,000
Total expenditure	((14,610))	0	(14,610)
Net income	115,390		115,390
Other gains/(losses)	0	0	0
Net movement in funds	115,390	0	115,390
 Total funds brought forward	 1,225,589		 1,225,589
Total funds carried forward	1,340,979	0	1,340,979

12. ANALYSIS OF NET ASSETS AT THE DATE OF MERGER

	Antecedent Organisation £	Charity Company £	Combined £
Net assets	1,385,900	-	1,385,900
Represented by :- Unrestricted funds	1,385,900	-	1,385,900

PRESTON MUSLIM EDUCATION COUNCIL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Period 10 February 2022 to 31 December 2022

	£
INCOME AND ENDOWMENTS	
Donations and legacies	
Donations	82,605
Investment income	
Rents receivable	130,000
Total incoming resources	212,605
EXPENDITURE	
Support costs	
Governance costs	
Legal and professional fees	88,295
Total resources expended	88,295
Net income	124,310