

Grangetown Muslim Cultural Centre
Unaudited Financial Statements
31 March 2021

SAK2020 LTD.
Chartered Certified Accountants
Broadway House
Broadway
Cardiff
CF24 1PU

Grangetown Muslim Cultural Centre

Financial Statements

Year ended 31 March 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities (including income and expenditure account)	4
Statement of financial position	5
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed statement of financial activities	12
Notes to the detailed statement of financial activities	13

Grangetown Muslim Cultural 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 Grangetown Muslim Cultural Centre

Charity registration number 700085

Company registration number

Principal office and registered office 2A Clydach Street
Grangetown
Cardiff
CF11 7AE
UK

The trustees

Mr Q Z Zaman
Mr G M Mustafa
Mr M A Aslam
Mr M A Azam

Company secretary Tariq Awan

Independent examiner Akhtar Ali Mir CPA, ACIE
Independent Examiner
Broadway House
Broadway
Cardiff

Principal activities

The objective of the Cultural Centre is to serve the local Muslim Community primarily as a place of worship and religious teachings. On a daily basis the building provides and facilitates worshipping facilities for local people to practice their religion in harmony in congregation or as individual.

Grangetown Muslim Cultural Centre

Trustees' Annual Report (continued)

Year ended 31 March 2021

Review of business

About five to six evening per week young children under 18 years age are taught the recitation of Holy Quraan in Arabic and, also about their religious belief and practices in English. Approximately there are about 240 children currently enrolled with Cultural Centre.

The Centre is also used by the local teenagers to meet & greet each other under a supervised environment and discuss their social and educational matters. Teenagers are provided the volunteering opportunities to help organise special events and support the management committee during large Eid gatherings.

The charity facilitates separate events for ladies and have purchased a disused former Conservative Club building in May 2019 (on Corporation Rd) to provide more comprehensive educational & welfare services for young girls and their female family members, as part of its future development remit. As and when required the GMCC organises and facilitates Faith Visits from local Primary Schools, Police Force, Fire Brigades and Council staff members. In addition, the organisation provides private space for local Councillors to hold their monthly surgeries in order to help resolve any Cardiff Council related matters.

Future developments

The Association continues to promote its main objectives in the coming years.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 17/3/2022 and signed on behalf of the board of trustees by:

Mr G M Mustafa
Trustee



Tariq Awan
Charity Secretary



Grangetown Muslim Cultural Centre

Independent Examiner's Report to the Trustees of Grangetown Muslim Cultural Centre

Year ended 31 March 2021

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

Respective responsibilities of the management committee and examiner

As the charity's trustees you are responsible for the preparation of the accounts. The charity's trustees consider an audit is not required for this year (under s43 (3) of the Charities Act 1993 (the Act)).

It is my responsibility to:

1. Examine the accounts (under s43 (3) (a) of the 1993 Act)
2. Follow the procedures laid down in the General Directions given by the Charity Commissioners under section 43 (7) (b) of the Act, and 3. to state whether particular matters have come to my attention.

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements. to keep accounting records in accordance with section 41 of the Act; and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act.

Have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Akhtar Ali Mir CPA, ACIE
Independent Examiner
Broadway House
Broadway
Cardiff
CF24 1PU

18th March 2022

Grangetown Muslim Cultural Centre
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Charitable activities	4	116,518	116,518	218,758
Total income		<u>116,518</u>	<u>116,518</u>	<u>218,758</u>
Expenditure				
Expenditure on charitable activities	5,6	107,577	107,576	117,803
Total expenditure		<u>107,577</u>	<u>107,576</u>	<u>117,803</u>
Net income and net movement in funds		<u>8,941</u>	<u>8,942</u>	<u>100,955</u>
Reconciliation of funds				
Total funds brought forward		1,013,791	1,013,791	912,836
Total funds carried forward		<u>1,022,732</u>	<u>1,022,732</u>	<u>1,013,792</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 6 to 10 form part of these financial statements.

Grangetown Muslim Cultural Centre

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	9	1,052,682	1,054,746
Current assets			
Cash at bank and in hand		47,051	55,045
Net current assets		47,051	55,045
Total assets less current liabilities		1,099,733	1,109,791
Creditors: amounts falling due after more than one year	10	77,000	96,000
Net assets		1,022,733	1,013,791
Funds of the charity			
Unrestricted funds		1,022,732	1,013,792
Total charity funds	12	1,022,732	1,013,792

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 17/3/2022, and are signed on behalf of the board by:

Mr G M Mustafa
Trustee



The notes on pages 6 to 10 form part of these financial statements.

Grangetown Muslim Cultural Centre

Notes to the Financial Statements

Year ended 31 March 2021

1. 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 Companies Act 2006.

2. 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.

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.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Grangetown Muslim Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

2. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

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.

Grangetown Muslim Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

2. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

3. Limited by guarantee

Grangetown Muslim Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Charitable activities

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	2021		2020	
	£	£	£	£
Class Fee	43,071	43,071	74,200	74,200
Annual Maint Fee	2,751	2,751	381	381
Document Certifying Fee	—	—	265	265
Donation Received	11,070	11,070	106,581	106,581
Eid Collections	1,529	1,529	3,699	3,699
Friday Collections	22,683	22,683	33,632	33,632
Council Grant	35,414	35,414	—	—
	<u>116,518</u>	<u>116,518</u>	<u>218,758</u>	<u>218,758</u>

5. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
	2021		2020	
	£	£	£	£
Activity type 1	<u>107,577</u>	<u>107,576</u>	<u>117,802</u>	<u>117,803</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds	Total fund
	2021		2020
	£	£	£
Activity type 1	<u>107,576</u>	<u>107,576</u>	<u>117,803</u>

7. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	2,581	2,423
Operating lease rentals	—	30

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	76,060	86,109
Social security costs	4,622	2,297
Employer contributions to pension plans	1,497	1,463
	<u>82,179</u>	<u>89,869</u>

The average head count of employees during the year was 8 (2020: 8).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Grangetown Muslim Cultural Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

9. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	1,042,102	39,843	1,081,945
Additions	–	517	517
At 31 March 2021	<u>1,042,102</u>	<u>40,360</u>	<u>1,082,462</u>
Depreciation			
At 1 April 2020	–	27,199	27,199
Charge for the year	–	2,581	2,581
At 31 March 2021	<u>–</u>	<u>29,780</u>	<u>29,780</u>
Carrying amount			
At 31 March 2021	<u>1,042,102</u>	<u>10,580</u>	<u>1,052,682</u>
At 31 March 2020	<u>1,042,102</u>	<u>12,644</u>	<u>1,054,746</u>

10. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>77,000</u>	<u>96,000</u>

11. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,497 (2020: £1,463).

12. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
General funds	<u>1,013,791</u>	<u>116,518</u>	<u>(107,577)</u>	<u>1,022,732</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 20 20 £
General funds	<u>912,836</u>	<u>218,758</u>	<u>(117,802)</u>	<u>1,013,792</u>

Grangetown Muslim Cultural Centre

Management Information

Year ended 31 March 2021

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

Grangetown Muslim Cultural Centre

Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Charitable activities		
Class Fee	43,071	74,200
Annual Maint Fee	2,751	381
Document Certifying Fee	—	265
Donation Received	11,070	106,581
Eid Collections	1,529	3,699
Friday Collections	22,683	33,632
Council Grant	35,414	—
	<u>116,518</u>	<u>218,758</u>
Total income	<u>116,518</u>	<u>218,758</u>
Expenditure		
Expenditure on charitable activities		
Wages/salaries	76,060	86,109
Employer's NIC	4,622	2,297
Pension costs	1,497	1,463
Bank Charge	—	30
Cleaning & Refuse	4,050	6,593
Rates & water	4,268	4,638
Light & heat	4,610	7,462
Repairs & maintenance	1,351	1,144
Insurance	2,604	2,898
PPS	184	167
Sundry	213	—
Legal and professional fees	4,507	—
Telephone	545	639
Service Charge	485	367
Refreshment	—	1,573
Depreciation	2,580	2,423
	<u>107,576</u>	<u>117,803</u>
Total expenditure	<u>107,576</u>	<u>117,803</u>
Net income	<u>8,942</u>	<u>100,955</u>

Grangetown Muslim Cultural Centre

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Expenditure on charitable activities		
Activity type 1		
<i>Activities undertaken directly</i>		
Wages/salaries	76,060	86,109
Employer's NIC	4,622	2,297
Pension costs	1,497	1,463
Bank Charge	—	30
Cleaning & Refuse	4,050	6,593
Rates & water	4,268	4,638
Light & heat	4,610	7,462
Repairs & maintenance	1,351	1,144
Insurance	2,604	2,898
PPS	184	167
Sundry	213	—
Legal and professional fees	4,507	—
Telephone	545	639
Service Charge	485	367
Refreshment	—	1,573
Depreciation	2,580	2,423
	<u>107,576</u>	<u>117,803</u>
 Expenditure on charitable activities	 <u><u>107,576</u></u>	 <u><u>117,803</u></u>

