

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 2020**



CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

Contents	Pages
Company information	1
Trustees' report	2 - 4
Auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Cash flow statement	10
Notes to the financial statements	11 - 18

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

Trustees

Professor David Ford
Professor Abdel Haleem
Professor Lejla Demiri
Dr Ali Almihdar
Dr Sohaira Zahid Siddiqui
Dr Muhammad Arfan Ismail (resigned 31 January 2021)
Timothy Winter (appointed 30 October 2020)

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
Beech House
4a Newmarket Road
Cambridge CB5 8DT

PRINCIPAL BANKERS

HSBC Bank PLC
58 Chesterton Rd
Cambridge
CB4 1ew

SOLICITORS

Ashton Legal Solicitors Cambridge
Chequers House
77-81 Newmarket Road
Cambridge
CBS BEU

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Trustees/Directors

The Trustees are pleased to present the Trustees Report together with the financial statements of the charity for the year ended 31 August 2020, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Memorandum and Articles of Association Incorporated 28 September 2009.

Appointment of trustees

Election by simple majority. Candidates must be nominated by a member entitled to vote not less than fourteen or more than thirty five days before the date of the meeting. Such nomination to be 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 charity, which is considered sufficient to identify and manage risks facing the charity.

Arrangements for setting pay and remuneration of key management personnel

Cambridge Muslim College uses Cambridge University pay grade scale as a reference for setting pay and remuneration for its staff and key management personnel.

Day to day delegation of management

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

OBJECTIVES AND ACTIVITIES

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, including the provision of education and training of 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 equivalent of free accommodation, living costs and tuition fees for up to 10 full-time students is available internally from the College for those who can demonstrate sufficient financial need (after taking into account any assistance that they may already be receiving from external scholarships).

The College serves not only the interests of the Muslim community but the wider community, by encouraging 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.

The College aims to facilitate access to higher education among its graduates.

The College welcomes applications from both genders, and intends to enhance greater participation by women in the life of the Muslim community.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

DIRECTORS AND MEMBERS OF THE BOARD OF TRUSTEES

The Directors and Members of the Board of Trustees who served during the year were:

- Professor David Ford
- Professor Abdel Haleem
- Professor Lejla Demiri
- Dr Ali Almihdar
- Dr Sohaira Zahid Siddiqui
- Dr Muhammad Arfan Ismail (resigned 31 January 2021)
- Timothy Winter (appointed 30 October 2020)

REVIEW OF ACTIVITIES

The first cohort of students for our BA in Islamic Studies, accredited by the Open University, completed its third year of studies, with all students passing and graduating. The external examiners and the academic advisors professed themselves very satisfied with the degree to date. The next cohort of students for our BA are current undergoing their year of Arabic Language tuition and will start their first year of studies in 2021/22.

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. Several online courses were launched and promise to become a significant income stream.

FINANCIAL REVIEW

Incoming resources for the year amounted to £1,161,374 (2019: £1,068,890), which was mainly comprised of donations. Expenditure amounted to £823,720 (2019: £1,964,416), mainly on education, teaching and scholarship activities.

The closing balance of total reserves is £3,931,503 which has increased from £3,590,267 from the previous year. Restricted reserves totalled £2,507 a decrease from £3,094 in the previous year.

The company is dependent on donated income which by its very nature is an uncertain source of income. The Trustees aim to have a reserve level of approximately 6 months' of expenditure, slightly higher than if income was more certain. Unrestricted expenditure for 6 months is estimated at £300,000. Free reserves at the end of the year were £599,525.

PLANS FOR FUTURE PERIODS

The Trustees are satisfied with the progress of the BA, and therefore have approved for a 2nd BA cohort for 2022/23 - 2024/25 to proceed, as well as the launch of an online Postgraduate Diploma in Islamic Psychology. A 3 year research project from 2020-21 - 2022-23 sponsored by the John Templeton foundation is also underway.

The Trustees are also working on developing a strategy for the development of the College which includes a revived taught Diploma in Contextual Islamic Studies, a further expansion of Research activity and online/virtual Continuing Education courses and exploring avenues for securing endowments for the College.

GOING CONCERN

COVID 19 has had an impact on the CMC being able to hold events, in-house face-to-face tuition, and rental income. All external events have been postponed or cancelled, however the college seeks to continue to provide a first-class education to its students whilst ensuring the safety and wellbeing of its students and staff in doing so. COVID-19 hasn't had a significant financial impact on the college, with face-to-face events replaced by online/virtual events and courses, face-to-face tuition being replaced by video conferencing, and rental income not being a significant source of income. It has also provided an opportunity for the college focus on reaching out to a wider audience through developing its online content. Thanks to the continued generous support of its benefactors, the college remains in a stable financial position with no risk to its ability to continue its operations as a going concern.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

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 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.

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 charity's auditors are unaware, and each trustee has taken steps that he or she ought to have taken as 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 13th August 2021 and signed on their behalf, by:



.....
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 2020 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 Accounting Practice).

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 2020 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.

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

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.

We have nothing to report in this regard.

Matters on which we are 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:

**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 identified areas of laws and regulations that could reasonably be expected to have a material effect on the annual financial statements from our general commercial and company specific experience, through discussion with the Directors (as required by auditing standards), and from inspection of the company's regulatory correspondence, and we discussed with the Directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indication to non-compliance throughout the audit; the audit team are deemed both competent and capable of identifying non-compliance with rules and regulations.

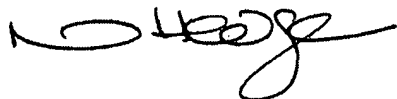
The potential effect of these laws and regulations on the annual financial statements varies considerably. Firstly, the company is subject to laws and regulations that directly affect the annual financial statements including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related annual account items. Secondly, the company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance non-compliance with industry regulations. We assessed the risk of fraud in the financial statements through discussion with management and from our experience of the company. We communicated identified fraud risk areas throughout our team and remained alert to any indication of fraud throughout the audit. In particular, we assessed the potential impact of the global pandemic known as Covid-19 on the risk of fraud. We did not identify any instances of fraud during the course of our audit.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and inspection of regulatory and legal correspondence, if any. Through these 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.



Naomi Hedger (Senior Statutory Auditor)
For and on behalf of Chater Allan LLP
Chartered Accountants & Statutory Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

Date: 16 August 2021

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 2020

	Notes	Unrestricted funds	Restricted Fund	2020 Total Funds	2019 Total Funds
		£	£	£	£
Income from:					
Grants and donations	2	691,461	208,135	899,596	953,411
Charitable activities	4	178,749	16,800	195,549	92,573
Other trading activities	3	21,820	44,409	66,229	22,906
Total income		<u>892,030</u>	<u>269,344</u>	<u>1,161,374</u>	<u>1,068,890</u>
Expenditure on:					
Charitable activities	5	603,789	219,931	823,720	964,416
Total expenditure	7	<u>603,789</u>	<u>219,931</u>	<u>823,720</u>	<u>964,416</u>
Net (losses)/gains on investments		3,582	-	3,582	(247)
Net income/(expenditure)		<u>291,823</u>	<u>49,413</u>	<u>341,236</u>	<u>104,227</u>
Transfer between funds		50,000	(50,000)	-	-
Net movement in funds		<u>341,823</u>	<u>(587)</u>	<u>341,236</u>	<u>104,227</u>
Reconciliation of funds:					
Total funds brought forward		3,587,173	3,094	3,590,267	3,486,040
Total funds carried forward		<u>3,928,996</u>	<u>2,507</u>	<u>3,931,503</u>	<u>3,590,267</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 11 to 18 form part of these financial statements.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
BALANCE SHEET
AS AT 31 AUGUST 2020

Registered number: 07031673

	Notes	2020	2019
		£	£
Fixed Assets			
Tangible assets	10	3,581,992	3,645,460
Investments	11	62,479	58,034
		<u>3,644,471</u>	<u>3,703,494</u>
Current Assets			
Debtors	12	83,853	91,870
Cash at bank and in hand		644,355	323,097
		<u>728,208</u>	<u>414,967</u>
Liabilities			
Creditors: amounts falling due within one year	13	(283,676)	(213,194)
Net Current Assets		<u>444,532</u>	<u>201,773</u>
Liabilities			
Creditors: amounts falling due within one year	14	(157,500)	(315,000)
Net Assets		<u>3,931,503</u>	<u>3,590,267</u>
The funds of the charity:			
Restricted Funds	16	2,507	3,094
Unrestricted Funds	16	3,928,996	3,587,173
Total charity funds		<u>3,931,503</u>	<u>3,590,267</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 13th August 2021 and signed on its behalf by:



Dr Sohaira Zahid Siddiqui
Trustee

The notes on pages 11 to 18 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 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash provided by operating activities	<u>331,779</u>	<u>(84,548)</u>
Cash flows from investing activities:		
Interest from investments	-	-
Acquisition of investments	(863)	-
Purchase of property, plant and equipment	(9,658)	(15,923)
Net cash provided by investing activities	<u>(10,521)</u>	<u>(15,923)</u>
Change in cash and cash equivalents in the reporting period	<u>321,258</u>	<u>(100,471)</u>
Cash and cash equivalents at the beginning of the reporting period	323,097	423,568
Cash and cash equivalents at the end of the reporting period	<u><u>644,355</u></u>	<u><u>323,097</u></u>
Cash and cash equivalents at the end of the reporting period		
Cash at bank and in hand	644,355	323,097
	<u><u>644,355</u></u>	<u><u>323,097</u></u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
	2020 £	2019 £
Net income/ (expenditure) for the reporting period	341,236	104,227
Adjustments for:		
Depreciation charges	73,126	71,386
(Gains)/losses on investments	(3,582)	247
Interest from investments	-	-
(Increase)/decrease in debtors	8,017	(28,731)
Increase/(decrease) in creditors	(87,018)	(231,677)
Net cash provided by operating activities	<u><u>331,779</u></u>	<u><u>(84,548)</u></u>

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.

1.3 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 2020

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 current 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 2020

	Unrestricted funds £	Restricted Fund £	2020 Total £	2019 Total (as restated) £
2. DONATIONS AND LEGACIES				
Donations	691,461	208,135	899,596	953,411
	<u>691,461</u>	<u>208,135</u>	<u>899,596</u>	<u>953,411</u>
3. TRADING ACTIVITIES				
Rental income	19,799	44,409	64,208	20,890
Other trading activities	2,021	-	2,021	2,016
	<u>21,820</u>	<u>44,409</u>	<u>66,229</u>	<u>22,906</u>
4. INCOME FROM CHARITABLE ACTIVITIES				
Education and teaching	178,749	16,800	195,549	92,573
	<u>178,749</u>	<u>16,800</u>	<u>195,549</u>	<u>92,573</u>
5. CHARITABLE EXPENDITURE AND GOVERNANCE COSTS				
Education and teaching (including depreciation)	563,324	219,931	783,255	920,298
Admin salaries	35,665	-	35,665	37,018
Support costs	4,800	-	4,800	7,100
	<u>603,789</u>	<u>219,931</u>	<u>823,720</u>	<u>964,416</u>
All costs are direct costs being for the charitable activity of training and teaching . The charity incurs no indirect/support costs				
6. SUPPORT COSTS				
Auditors' remuneration	4,800	-	4,800	4,500
Auditors' remuneration (in relation to 2018)	-	-	-	2,600
	<u>4,800</u>	<u>-</u>	<u>4,800</u>	<u>7,100</u>

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs	Depreciation & Amortisation	Other Costs	2020 Total	2019 Total
	£	£	£	£	£
Education, teaching and admin	312,219	73,126	433,575	818,920	957,316
Support costs	-	-	4,800	4,800	7,100
	<u>312,219</u>	<u>73,126</u>	<u>438,375</u>	<u>823,720</u>	<u>964,416</u>

8. NET INCOME

	2020 £	2019 £
The excess of expenditure over income is stated after charging:		
Depreciation of fixed assets - owned by the charity	73,126	71,386
Auditors' remuneration	4,800	4,500
Auditors' remuneration (in relation to 2018)	-	2,600
	<u>-</u>	<u>2,600</u>

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	281,490	430,690
Social security costs	24,454	44,499
Other pension costs	6,275	10,983
	<u>312,219</u>	<u>486,172</u>

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

	2020	2019
Project workers and administrative staff	<u>9</u>	<u>13</u>

No employee received remuneration totalling to more than £60,000 in either this year or the previous year.

One member of the Board received remuneration of £49,260 in his capacity as the Dean.

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Furniture & Equipment £	Total £
Cost:			
At 1 September 2019	4,077,113	44,986	4,122,099
Additions	-	9,658	9,658
At 31 August 2020	<u>4,077,113</u>	<u>54,644</u>	<u>4,131,757</u>
Depreciation:			
At 1 September 2019	444,747	31,892	476,639
Charge for year	65,234	7,892	73,126
At 31 August 2020	<u>509,981</u>	<u>39,784</u>	<u>549,765</u>
Net book value:			
At 31 August 2020	<u>3,567,132</u>	<u>14,860</u>	<u>3,581,992</u>
At 31 August 2019	<u>3,632,366</u>	<u>13,094</u>	<u>3,645,460</u>

Fixed assets are all used for charitable purposes.

11. INVESTMENTS

	2020 £	2019 £
At 1 September 2019	58,034	58,281
Additions	863	-
Disposals	-	-
Realised gains/(losses)	-	-
Unrealised (losses)/gains	3,582	(247)
At 31 August 2020	<u>62,479</u>	<u>58,034</u>

The historical cost of the investments at 31 August 2020 was £42,705.

12. DEBTORS

	2020 £	2019 £
Prepayments and accrued income	3,164	18,370
Other debtors	80,689	73,500
	<u>83,853</u>	<u>91,870</u>

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
13. CREDITORS: amounts falling due within one year		
Trade creditors	-	61
Social security and other taxes	5,828	6,914
Other creditors	2,034	33,365
Accruals and deferred income	118,314	15,354
Long term loan	157,500	157,500
	<u>283,676</u>	<u>213,194</u>

14. CREDITORS: amounts falling due more than one year

Long term loan	157,500	315,000
	<u>157,500</u>	<u>315,000</u>

The loan is payable by equal installements of £157,500 per annum.
The loan is secured on the Perne Road property.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Fixed assets	3,644,471	-	3,644,471	3,703,494
Current assets	725,701	2,507	728,208	414,967
Current liabilities	(283,676)	-	(283,676)	(213,194)
Long term loan	(157,500)	-	(157,500)	(315,000)
	<u>3,928,996</u>	<u>2,507</u>	<u>3,931,503</u>	<u>3,590,267</u>

16. MOVEMENT IN FUNDS

	At 1 September 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 August 2020 £
Unrestricted Funds	3,587,173	892,030	(600,207)	50,000	3,928,996
Restricted Funds:					
COSARAF Fund	-	4,000	(4,000)	-	-
Aziz Foundation Fund	3,094	108,135	(109,338)	-	1,891
National Zakat Foundation	-	50,000	(50,000)	-	-
Perne Road Fund (Balance Sheet contribution)	-	50,000	-	(50,000)	-
Randeree	-	44,409	(44,409)	-	-
Al Tarmidhi Foundation	-	12,800	(12,184)	-	616
	<u>3,094</u>	<u>269,344</u>	<u>(219,931)</u>	<u>(50,000)</u>	<u>2,507</u>
Total funds	<u>3,590,267</u>	<u>1,161,374</u>	<u>(820,138)</u>	<u>-</u>	<u>3,931,503</u>

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Restricted Funds (continued)

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.

National Zakat Foundation - Development of a digital strategy.

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.

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 whilst attending Arabic Language year in Morocco.

18. SHARE CAPITAL

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

19. RELATED PARTY TRANSACTIONS

The charity is not controlled by any one individual. During the year there were no material related party transactions.

20. OPERATING LEASE COMMITMENTS

	2020	2019
At 31 August 2020, the company had the following operating lease commitments		
Due less than one year	33,600	33,600
Due after more than one year	-	-
	<u>33,600</u>	<u>33,600</u>

CAMBRIDGE MUSLIM COLLEGE LIMITED
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

22. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES (as restated)

	Unrestricted funds (as restated) £	Restricted Fund (as restated) £	2019 Total funds (as restated) £
Income from:			
Donations and legacies	617,136	336,275	953,411
Charitable activities	92,573	-	92,573
Other trading activities	22,906	-	22,906
Total income	<u>732,615</u>	<u>336,275</u>	<u>1,068,890</u>
Expenditure on:			
Charitable activities	649,781	314,635	964,416
Total expenditure	<u>649,781</u>	<u>314,635</u>	<u>964,416</u>
Net (losses)/gains on investments	(247)	-	(247)
Net income/(expenditure)	<u>82,587</u>	<u>21,640</u>	<u>104,227</u>
Transfer between funds	50,000	(50,000)	-
Net movement in funds	<u>132,587</u>	<u>(28,360)</u>	<u>104,227</u>
Reconciliation of funds:			
Total funds brought forward	3,486,040	-	3,486,040
Prior year adjustment	<u>*(31,454)</u>	<u>31,454</u>	<u>-</u>
Total funds brought forward as restated	<u>3,454,586</u>	<u>31,454</u>	<u>3,486,040</u>
Total funds carried forward	<u>3,587,173</u>	<u>3,094</u>	<u>3,590,267</u>

*** PRIOR YEAR ADJUSTMENT**

Reanalysis of the 2018 Statement of Financial Activities in order to correctly disclose restricted income and expenditure for the year and to reflect 2018 brought forward and carried forward restricted fund balances. The net result of this was that 2019 brought forward unrestricted and restricted funds on the 2019 Statement of Financial Activities had to also be restated by disclosing a £31,454 brought forward restricted fund balance.