

Registered number  
05406938

Charity number  
1087143

MBCOL Limited  
(Limited by Guarantee)

Report and Accounts

31 March 2020

**MBCOL Limited**  
**Company Information**

**Directors**

Dr L A Ali  
M S Esat  
Dr K Hoque  
M Jamal  
M Jamil  
S A Sattar  
M A Saleh

**Auditors**

Smith Hannah Limited  
50 Woodgate  
Leicester  
LE3 5GF

**Bankers**

Barclays Bank Plc  
Highfields  
Leicester

National Westminster Bank Plc  
East Park Road  
Leicester

**Registered office**

50 Woodgate  
Leicester  
LE3 5GF

**Registered number**

05406938

**MBCOL Limited****Registered number: 05406938****Directors' Report**

The directors present their report and accounts for the year ended 31 March 2020.

**Objective and activities**

MBCOL Limited, known as Muslim Burial Council of Leicestershire, is limited by guarantee (number 5406938) and a registered charity (number 1087143). Its principal address is 1a Moat Road, Leicester LE5 5EF.

The company's objective and principal activity during the year continued to be the provision of out of hours burial services for the inhabitants of Leicestershire irrespective of which faith or belief they follow.

**Future developments**

The company is reliant on funding from the local council to carry out its day to day activities. The funding contract was awarded in 2015 and expired in September 2019, and this was temporarily extended to 31 March 2021.

The directors are unable to determine the outcome post March 2021 as this will be subject to the decision made by Leicester City Council at the time of renewal.

**Directors**

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as directors.

The following persons served as directors during the year:

Dr L A Ali  
M S Esat  
Dr K Hoque  
M Jamil  
M Saleh (appointed 3 November 2019)  
S A Sattar  
M Jamal (appointed 3 November 2019)

Y A Dassu resigned as a director on 10 September 2019.

S Nagdi and A Y Yusuf resigned as directors on 27 November 2019.

The company is limited by guarantee and has no share capital. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

**Recruitment and Appointment of trustees**

MBCOL Limited is governed by a board of trustees drawn from the local community. This is to ensure that the board has the skills and experience required to oversee the management of the charity and its operations.

All trustees are elected by a majority vote at an Annual General Meeting who then hold office from the conclusion of that meeting up to a term of five years.

**MBCOL Limited**

**Registered number:**

**05406938**

**Directors' Report**

**Trustee Induction and Training**

All new trustees receive a planned induction programme before taking up their place on the board. This includes an explanation of their roles and responsibilities, an introduction to other trustees, an overview of recent business and an explanation of board format and process, plus a personal meeting with the Chair.

**Risk Management**

The directors have a risk management strategy which includes an annual review of the risks the charity faces and the establishment of systems and procedures to mitigate those risks and implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

**Review of activities for the year**

The charity's deficit was £1,614 (2019: surplus of £1,775) for the year.

The detailed results are set out in the attached financial statements.

**Reserves policy**

The directors aim to ensure that sufficient funds are maintained to enable the charity to carry out its activities.

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime. The directors confirm that they have complied with the duty in Section 4 of the charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

This report was approved by the board on 21 December 2020 and signed on its behalf.



Dr L A Ali  
Director

## **MBCOL Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**MBCOL Limited**  
**Independent auditor's report**  
**to the members of MBCOL Limited**

**Opinion**

We have audited the accounts of MBCOL Limited for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the accounts, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its deficit 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 of 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 accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, 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.

**Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements, which indicates that there is uncertainty of the renewal of the company's major contract beyond 31 March 2021, upon which the company is dependent for its day to day activities. The non renewal of the contract will significantly affect the ability of the company to carry out its activities and continue as a going concern.

Our opinion is not modified in respect of this matter.

**Other information**

The other information comprises the information included in the report and accounts, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**MBCOL Limited**  
**Independent auditor's report**  
**to the members of MBCOL Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

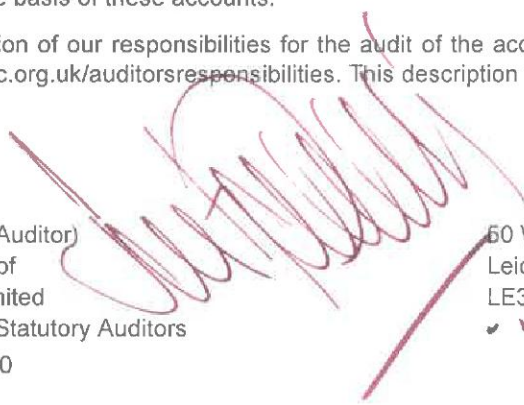
In preparing the accounts, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

M I Umar  
(Senior Statutory Auditor)  
for and on behalf of  
Smith Hannah Limited  
Accountants and Statutory Auditors  
21 December 2020



50 Woodgate  
Leicester  
LE3 5GF

**MBCOL Limited**  
**Statement of Financial Activities**  
**for the year ended 31 March 2020**

	2020 £	2019 £
<b>Incoming resources</b>		
Income from charitable activities and generated funds	45,862	47,703
Income from investments	68	62
Total incoming resources	<u>45,930</u>	<u>47,765</u>
<b>Resources expended</b>		
Other direct costs	(3,406)	(5,458)
Administrative expenses	(44,138)	(40,532)
Total resources expended	<u>(47,544)</u>	<u>(45,990)</u>
<b>Net (outgoing)/incoming resources for the year</b>	<u>(1,614)</u>	<u>1,775</u>


**MBCOL Limited****Registered number:**

05406938

**Balance Sheet****as at 31 March 2020**

	Notes	2020 £	2019 £
<b>Current assets</b>			
Stocks		820	570
Debtors	5	609	590
Cash at bank and in hand		94,217	89,657
		<u>95,646</u>	<u>90,817</u>
<b>Creditors: amounts falling due within one year</b>	6	(7,610)	(1,167)
<b>Net current assets</b>		<u>88,036</u>	<u>89,650</u>
<b>Net assets</b>		<u><u>88,036</u></u>	<u><u>89,650</u></u>
<b>Unrestricted funds</b>			
Designated	7	30,797	30,797
General	8	57,239	58,853
<b>Net funds</b>		<u><u>88,036</u></u>	<u><u>89,650</u></u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The Statement of Financial Activities has not been delivered to the Registrar of Companies.



S A Sattar  
Director

Approved by the board on 21 December 2020

**MBCOL Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2020**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The accounts have also been prepared with the Statement of Recommended Practice (SORP) - "Accounting and Reporting by Charities" issued by the Charity Commissioners in England and Wales.

***Going concern***

The company is reliant on funding from the local council to carry out its day to day activities. Following expiry of the contract in September 2019, the local council extended the contract with MBCOL Limited until 31 March 2021. At this stage, the company has not been offered a further time limited contract extension after 31 March 2021. In view of this, material uncertainty exists over the ability of the company to continue its operations.

***Income***

Grant income represents amounts received and receivable from Leicester City Council. Donations, interment fees and other income are accounted for when received.

***Resources expended***

Resources expended are accounted for as a liability is incurred. Expenditure includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation. The costs of minor additions or those costing below £3,000 are not capitalised. Depreciation is provided at rates calculated to write off of each asset over its estimated useful life of 4 years.

***Stocks***

Stocks are measured at the lower of cost and net realisable value.

***Funds***

Funds comprise of unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. The directors use part of the unrestricted funds for various specific projects and have set up a designated fund to reflect this. The funds held in each of the relevant categories are disclosed in the notes to the accounts.

**2 Audit information**

The audit report is unqualified.

Senior statutory auditor:	M I Umar
Firm:	Smith Hannah Limited
Date of audit report:	21 December 2020

**MBCOL Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2020**

<b>3 Employees</b>	<b>2020 Number</b>	<b>2019 Number</b>
Average number of persons employed by the company	<u>1</u>	<u>1</u>
<b>4 Tangible fixed assets</b>	<b>Plant and machinery etc £</b>	
<b>Cost</b>		
At 1 April 2019	<u>3,893</u>	
At 31 March 2020	<u>3,893</u>	
<b>Depreciation</b>		
At 1 April 2019	<u>3,893</u>	
At 31 March 2020	<u>3,893</u>	
<b>Net book value</b>		
At 31 March 2020	<u>-</u>	
<b>5 Debtors</b>	<b>2020 £</b>	<b>2019 £</b>
Other debtors	<u>609</u>	<u>590</u>
<b>6 Creditors: amounts falling due within one year</b>	<b>2020 £</b>	<b>2019 £</b>
Other creditors	<u>7,610</u>	<u>1,167</u>
<b>7 Designated Funds</b>	<b>2020 £</b>	<b>2019 £</b>
At 1 April 2019	30,797	30,797
At 31 March 2020	<u>30,797</u>	<u>30,797</u>
Designated funds comprise :-		
Multi Faith Bereavement Book Project	5,500	
20th Anniversary Celebration Fund	5,000	
Centralised Services	20,297	
Total	<u>30,797</u>	

**MBCOL Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2020**

<b>8 General Funds</b>	<b>2020</b>
	<b>£</b>
At 1 April 2019	58,853
Deficit for the year	(1,614)
Transfer to designated funds	-
At 31 March 2020	<u>57,239</u>

**8 Related party transactions**

No trustees received any remuneration (2019:£nil). During the year, the company paid rent amounting to £4,500 (2019:£6,000) to A Y Sabat, a trustee, on normal commercial terms in respect of the premises occupied by the company.

During the year, the company paid consultancy fees amounting to £1,000 (2019:£nil) to S Nagdi, a trustee, on commercial terms.

**9 Other information**

MBCOL Limited is a private company limited by guarantee and incorporated in England. Its registered office is:

50 Woodgate  
 Leicester  
 LE3 5GF

The principal place of operation is:

1A Moat Road  
 Leicester  
 LE5 5EF

**MBCOL Limited**  
**Detailed income and expenditure account**  
**for the year ended 31 March 2020**

	2020 £	2019 £
<b>Income</b>		
LCC funding	40,469	40,219
Timber sales	3,730	3,690
Funeral income	449	984
Donations	1,214	2,810
	<u>45,862</u>	<u>47,703</u>
<b>Direct costs</b>		
Grave preparation and related costs (adjusted for stock)	<u>3,406</u>	<u>5,458</u>
<b>Administrative expenses</b>		
Employee costs:		
Wages and salaries	15,622	20,585
	<u>15,622</u>	<u>20,585</u>
Premises costs:		
Rent and rates	6,109	6,188
Light and heat	2,240	1,656
	<u>8,349</u>	<u>7,844</u>
General administrative expenses:		
Telephone and fax	2,346	2,795
Motor and travel	2,109	3,092
Stationery and printing	486	722
Internet and website cost	317	479
Subscriptions	124	279
Bank charges	60	130
Insurance	2,005	753
Equipment expensed	417	1,264
Repairs and maintenance	1,046	433
Meeting and events	1,377	1,237
Sundry expenses	40	79
	<u>10,327</u>	<u>11,263</u>
Legal and professional costs:		
Audit and accountancy fees	840	840
Consultancy fees	9,000	-
	<u>9,840</u>	<u>840</u>
<b>Total administrative expenses</b>	<u>44,138</u>	<u>40,532</u>