

MUSLIM WELFARE INSTITUTE
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Riley Moss Audit LLP
Chartered Accountants
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

MUSLIM WELFARE INSTITUTE

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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MUSLIM WELFARE INSTITUTE

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees	Mr Hasan Moosa Sidat (resigned 11.3.21) Mr Rafiq Ismail Patel (resigned 11.3.21) Mr Mohammad Nagdee (appointed 1.1.20) (resigned 11.3.21) Mr Yusuf Ibrahim Ahmed Moosa (appointed 12.3.21) Mr Aziz Raje (appointed 12.3.21) Mr Hasan Patel (appointed 1.1.20)
Principal address	Suite 301 Daisyfield Business Centre Daisyfield Mill, Appleby Street Blackburn Lancashire BB1 3BL
Registered charity number	1066665
Auditors	Riley Moss Audit LLP Chartered Accountants Riley House 183-185 North Road Preston Lancashire PR1 1YQ

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. 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).

Objectives and activities

Objectives and aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity'. The charity run on the basis of Public benefit and not for profit purpose.

The objectives of the charity are as outlined in the charity's Governing Instrument. The main objective of the charity is needy people primarily in, but not restricted to, India, Albania and Bangladesh by focusing on the following areas:

- Providing housing and healthcare facilities.
- Establishing and renovating mosques, cultural centre and madrasas.
- Providing education and training in Islamic faith.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Achievement and performance ALBANIA

Dar-e Arqam Education Centre

Our new Dar-e-Arqam Education Centre completed its first full year during 2020.

Residential Institute - Belesh

Our residential institute at one of the local Mosques in the village of Belesh completed its 16th year. 10 students reside on a full time basis where all their needs are provided for. Many students enrol for shorter periods and a number of students attend part time courses.

Non Residential Institute - Laknas

Our non residential institute opened in Laknas in 2015 and completed its fifth year. The institute is in use during weekdays for education classes for students and on the weekends for education classes for orphans and also widows. Intention is to increase programmes at this institute in the coming years.

Mosques Renovation Programme

12 Mosques were renovated throughout the year 2020, 6 were on behalf of the Ummah Welfare Trust (UWT).

Food Distribution Project

To assist needy families, we distributed:

1200 meat bags on the occasion of Eid-ul-Adha.

1000 food packs during the Holy month of Ramadhan & at the time of Eid-ul-Fitr.

Educational Projects

70 classes were funded by the MWI where 1200 children received free education.

Orphans Sponsorship

360 orphans & their families were sponsored for 12 months.

BOSNIA

Following a visit to Bosnia in 2018, the MWI initiated its first 2 projects in Bosnia during the year 2020.

Widows Sponsorship

We sponsored 25 widows with a cash grant of £200 each in Srebrenica.

Families Sponsorship

We sponsored 10 families in Mostar with £200 each.

MACEDONIA

Educational Projects

15 classes were funded by the MWI where 225 children received free education.

UNITED KINGDOM (England)

Hardship Assistance Programme:

Southport:

We assisted 100 asylum seekers who were housed in Southport with basic essentials and food vouchers for 4 months. We also visited them on a few occasions.

Blackburn:

Assistance was provided to a number of families who were going through difficult circumstances. Our Sisters group also assisted a number of sisters and children. Food, clothing, basic essentials, rental payments etc etc were provided. We worked closely with the Refugee Organisation here in Blackburn who carried out due diligence checks.

Refugees:

We assisted a number of refugee families here in Blackburn with cash grants.

BANGLADESH

Orphanage Project

Our orphanage constructed at the village of Begumpur completed its 16th year. The orphanage is home to 30 orphans. A number of orphans who have reached the age of 18 have now moved on into either full time education, further studies or vocational training programmes depending on their final exam results..

Education Programmes

35 part-time schools are being funded where 1500 children acquire secular & religious education.

Food Distribution

500 people were provided with hot meals daily during the month of Ramadhan.

500 families were provided with Iftaar Packs in Ramadhan.

1000 gift packs were distributed prior to the festival of Eid-ul-Fitr.

500 meat bags were distributed on the occasion of Eid-ul-Adha.

Orphans Sponsorship

30 orphans sponsored.

Water Programmes

140 hand pumps installed at various locations throughout the year.

Income Support Programme

30 rickshaw vans distributed.

Wheelchair Distribution

70 wheelchairs distributed.

Group Weddings Programme

Finance was provided for 15 couples who got married at the group weddings programmes that were organised during the year.

Medical Projects

130 cataract operations were performed.

Winter Clothing

500 winter packs distributed during the winter period.

INDIA

Masjid Construction

3 Masjids constructed.

Cataract Operations

350 operations carried out.

Dialysis Services

1300 dialysis services carried out throughout the year.

Food Distribution

3000 food parcels distributed for the holy month of Ramadhan & 4000 at the time of Eid-ul-Fitr.

700 Qurbaanis performed at the time of Eid-ul-Adha.

Widows/Orphans Sponsorship

300 orphans were sponsored. Also, 50 students who were 16+ were supported as part of the 'Education Aid' programme.

WEST BENGAL

Students sponsorship

50 students were sponsored to become Hafez of the Quraan at a local educational institute in Uttar Dinajpur.

Masjid Construction

3 Mosques were constructed.

Visits

Due to the CoronaVirus, it was decided not to send any MWI representative to any country. Projects were affected during the year. However, as per government guidelines, staff safety was put as a priority at all times.

Staffing Structure

The MWI has 4 full time and 2 part time employees. Also, 3 teachers are employed in Albania, who have come from India.

Financial review

Reserves policy

The financial position is regularly reviewed by the trustees to ensure effective financial governance. This includes monitoring of the cash and bank balances by the trustees. The trustees are confident the organisation will continue to be able to meet with its obligations as they fall due.

Sale of property

The MWI premises on 35 Wellington Street St Johns had been on the market for nearly 2 years. An offer of £250,000 was received during the year 2020. The trustees and senior staff decided to accept the offer. Property was handed over to the new buyers on Friday 27th November.

We moved into our new rented office on Monday 30th November. This is Suite 301 at The Daisyfield Business Centre on Appleby Street. We are now on the lookout for a much larger property in a popular area.

Structure, governance and management

Induction and training of new trustees

The power of appointing new Trustees is vested in the Trustees and there are informal procedures in place for the induction and training of new Trustees. Trustees are also encouraged to attend relevant briefings courses.

New Trustee Appointed

Another trustee by the name of Hasan Patel was added on to the trustees list. The MWI now has 3 trustees as mentioned on first page. The trust appointed two new trustees Mr Aziz Raje and Mr Yusuf Ibrahim Ahmed Moosa. Mr Hasan Patel was appointed as chair of 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.

Muslim Welfare Institute has a risk management policy which is regularly revised to identify and address all kinds of risks every year. The existing management team is well equipped to discourse, manage and report the risks internally and externally. The indicated risks identified were successfully reviewed and assessed by the senior management and trustees during the reporting period. These risks, including strategic, governance and operational risks, have been identified and ranked in terms of impact and likelihood. The trustees are satisfied that systems are in place to monitor, manage and mitigate any exposure from these risks and ensure they are reviewed regularly.

Events since the end of the year

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

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 13 October 2021 and signed on its behalf by:

Mr Hasan Patel - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

Opinion

We have audited the financial statements of Muslim Welfare Institute (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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 for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
MUSLIM WELFARE INSTITUTE**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Riley Moss Audit LLP
Chartered Accountants
Riley House
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PR1 1YQ

13 October 2021

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Income and endowments from					
Donations and legacies	2	287,465	1,449,401	1,736,866	1,620,301
Other income		176,592	-	176,592	-
Total		464,057	1,449,401	1,913,458	1,620,301
Expenditure on					
Raising funds	3	3,710	-	3,710	7,000
Charitable activities					
Restricted expenditure	4	-	1,520,650	1,520,650	1,616,365
Unrestricted expenditure		184,807	-	184,807	38,478
Support costs		98,822	-	98,822	112,655
Total		287,339	1,520,650	1,807,989	1,774,498
NET INCOME/(EXPENDITURE)		176,718	(71,249)	105,469	(154,197)
Reconciliation of funds					
Total funds brought forward		170,585	152,799	323,384	477,581
Total funds carried forward		347,303	81,550	428,853	323,384

Continuing operations

All income and expenditure has arisen from continuing activities.

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Fixed assets					
Tangible assets	8	1,661	-	1,661	77,702
Current assets					
Debtors	9	128,305	-	128,305	92,081
Cash at bank and in hand		221,581	81,550	303,131	158,851
		<u>349,886</u>	<u>81,550</u>	<u>431,436</u>	<u>250,932</u>
Creditors					
Amounts falling due within one year	10	(4,244)	-	(4,244)	(5,250)
Net current assets		<u>345,642</u>	<u>81,550</u>	<u>427,192</u>	<u>245,682</u>
Total assets less current liabilities		<u>347,303</u>	<u>81,550</u>	<u>428,853</u>	<u>323,384</u>
NET ASSETS		<u>347,303</u>	<u>81,550</u>	<u>428,853</u>	<u>323,384</u>
Funds	11				
Unrestricted funds				347,303	170,585
Restricted funds				81,550	152,799
Total funds				<u>428,853</u>	<u>323,384</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 October 2021 and were signed on its behalf by:

Mr Hasan Patel - Trustee

MUSLIM WELFARE INSTITUTE**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(100,518)	(165,932)
Net cash used in operating activities		<u>(100,518)</u>	<u>(165,932)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(350)
Sale of tangible fixed assets		<u>244,798</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>244,798</u>	<u>(350)</u>
Change in cash and cash equivalents in the reporting period			
		144,280	(166,282)
Cash and cash equivalents at the beginning of the reporting period			
		<u>158,851</u>	<u>325,133</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>303,131</u></u>	<u><u>158,851</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

1.	Reconciliation of net income/(expenditure) to net cash flow from operating activities	2020	2019
		£	£
	Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	105,469	(154,197)
	Adjustments for:		
	Depreciation charges	293	345
	Profit on disposal of fixed assets	(169,050)	-
	Increase in debtors	(36,224)	(7,060)
	Decrease in creditors	(1,006)	(5,020)
	Net cash used in operations	<u>(100,518)</u>	<u>(165,932)</u>

2.	Analysis of changes in net funds	At 1.1.20	Cash flow	At 31.12.20
		£	£	£
	Net cash			
	Cash at bank and in hand	158,851	144,280	303,131
		<u>158,851</u>	<u>144,280</u>	<u>303,131</u>
	Total	<u>158,851</u>	<u>144,280</u>	<u>303,131</u>

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- No depreciation is charged
Fixtures and fittings	- 15% on reducing balance

Taxation

The charity is exempt from 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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies - continued

Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors £431,436 (2019: £250,932). A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £3,660 (2019: £4,980).

2. Donations and legacies

	2020 £	2019 £
Donations	1,736,866	1,620,301

3. Raising funds

Raising donations and legacies

	2020 £	2019 £
Charity dinner	3,710	7,000

4. Charitable activities costs

	Direct Costs £	Support costs (see note 5) £	Totals £
Restricted expenditure	1,520,650	-	1,520,650
Unrestricted expenditure	172,019	12,788	184,807
Support costs	-	98,822	98,822
	<u>1,692,669</u>	<u>111,610</u>	<u>1,804,279</u>

Expenditure on charitable activities comprises costs associated with the provision of emergency relief and other humanitarian developments, carried out by the charity, directly and through partner organizations worldwide. This is further analysed by country as follows.

Partner Organizations

	2020 £	2019 £
Institute Myslyhan Ndlhmes Shqiperi - Albania	690,080	867,650
Jamia Islamia Ishaatul Uloom Akkaluwa - India	595,390	208,385
Islahul Muslmeen Parishad - Bangladesh	<u>235,180</u>	<u>540,330</u>
	<u>1,520,650</u>	<u>1,616,365</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Support costs

	Management £	Finance £	Other £	Governance costs £	Totals £
Unrestricted expenditure	5,524	1,264	-	6,000	12,788
Support costs	94,606	267	1,299	2,650	98,822
	<u>100,130</u>	<u>1,531</u>	<u>1,299</u>	<u>8,650</u>	<u>111,610</u>

Support costs, included in the above, are as follows:

Management

	Unrestricted expenditure £	Support costs £	2020 Total activities £	2019 Total activities £
Wages	5,524	81,621	87,145	76,901
Other operating leases	-	203	203	-
Rates and water	-	2,181	2,181	2,241
Insurance	-	515	515	-
Light and heat	-	1,622	1,622	1,922
Telephone	-	433	433	775
Postage and stationery	-	6,142	6,142	12,039
Sundries	-	1,596	1,596	799
Fixtures and fittings depreciation	-	293	293	345
	<u>5,524</u>	<u>94,606</u>	<u>100,130</u>	<u>95,022</u>

Finance

	Unrestricted expenditure £	Support costs £	2020 Total activities £	2019 Total activities £
Bank charges	1,264	-	1,264	-
Exchange (Gain)/Loss	-	267	267	303
	<u>1,264</u>	<u>267</u>	<u>1,531</u>	<u>303</u>

Other

	2020 Support costs £	2019 Total activities £
Repairs and renewals	-	25
Motor expenses	-	806
Travel expenses	1,299	11,306
	<u>1,299</u>	<u>12,137</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Support costs - continued
Governance costs

	Unrestricted expenditure	Support costs	2020 Total activities	2019 Total activities
	£	£	£	£
Auditors' fee	4,800	-	4,800	4,800
Accountancy and legal fees	1,200	2,650	3,850	1,200
	<u>6,000</u>	<u>2,650</u>	<u>8,650</u>	<u>6,000</u>

6. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

7. Staff costs

	2020	2019
	£	£
Wages and salaries	87,145	76,901
	<u>87,145</u>	<u>76,901</u>

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

	2020	2019
Management	<u>8</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Totals £
Cost			
At 1 January 2020	75,748	10,590	86,338
Disposals	(75,748)	-	(75,748)
At 31 December 2020	-	10,590	10,590
Depreciation			
At 1 January 2020	-	8,636	8,636
Charge for year	-	293	293
At 31 December 2020	-	8,929	8,929
Net book value			
At 31 December 2020	-	1,661	1,661
At 31 December 2019	75,748	1,954	77,702

9. Debtors: amounts falling due within one year

	2020 £	2019 £
Other debtors	50,387	50,000
Prepayments and accrued income	77,918	42,081
	128,305	92,081

10. Creditors: amounts falling due within one year

	2020 £	2019 £
Taxation and social security	584	270
Other creditors	3,660	4,980
	4,244	5,250

11. Movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	11,000	177,011	188,011
Donations and legacies	159,585	(293)	159,292
	170,585	176,718	347,303
Restricted funds			
Donations and legacies	152,799	(71,249)	81,550
TOTAL FUNDS	323,384	105,469	428,853

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	464,057	(287,046)	177,011
Donations and legacies	-	(293)	(293)
	<u>464,057</u>	<u>(287,339)</u>	<u>176,718</u>
Restricted funds			
Donations and legacies	1,449,401	(1,520,650)	(71,249)
	<u>1,913,458</u>	<u>(1,807,989)</u>	<u>105,469</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	-	11,000	11,000
Donations and legacies	104,459	55,126	159,585
	<u>104,459</u>	<u>66,126</u>	<u>170,585</u>
Restricted funds			
Donations and legacies	373,122	(220,323)	152,799
	<u>477,581</u>	<u>(154,197)</u>	<u>323,384</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	216,599	(205,599)	11,000
Donations and legacies	7,660	47,466	55,126
	<u>224,259</u>	<u>(158,133)</u>	<u>66,126</u>
Restricted funds			
Donations and legacies	1,396,042	(1,616,365)	(220,323)
	<u>1,620,301</u>	<u>(1,774,498)</u>	<u>(154,197)</u>

Purpose of Unrestricted Funds

General Fund

11. Movement in funds - continued

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. This fund are used for various administrative and support activities.

Purpose of Restricted Funds

Lillah, Zakat and Sadqah

Restricted funds can only be used for particular restricted purposes within the objectives of the charity. Restriction arise when specified by donor or when funds are raised for particular restricted purposes. Zakat and Sadqah is used for charitable activity to help and support poor and needy people eligible for Zakat and Sadqah.

12. Related party disclosures

There were no related party transactions for the year ended 31 December 2020.

13. Post balance sheet events

Since the year end, the Covid-19 pandemic has caused considerable disruption to the global economy. Notwithstanding that, Covid-19 is deemed to be a non-adjusting post balance sheet event. Having considered the impact of Covid-19 on the charity, the trustees consider that there are no non-adjusting post balance events that require disclosure in these financial statements as a result of Covid -19.

MUSLIM WELFARE INSTITUTE**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Donations	1,736,866	1,620,301
Other income		
Gain on sale of tangible fixed assets	169,050	-
CJRS Grant	7,542	-
	<u>176,592</u>	<u>-</u>
Total incoming resources	1,913,458	1,620,301
Expenditure		
Raising donations and legacies		
Charity dinner	3,710	7,000
Charitable activities		
Albania projects	690,080	867,650
India projects	560,240	200,060
Bangladesh projects	235,180	500,150
Adoption and Hardship project	2,380	9,325
West Bengal	35,150	40,180
Other donations	169,639	36,671
	<u>1,692,669</u>	<u>1,654,036</u>
Support costs		
Management		
Wages	87,145	76,901
Other operating leases	203	-
Rates and water	2,181	2,241
Insurance	515	-
Light and heat	1,622	1,922
Telephone	433	775
Postage and stationery	6,142	12,039
Sundries	1,596	799
Fixtures and fittings	293	345
	<u>100,130</u>	<u>95,022</u>
Finance		
Bank charges	1,264	-
Exchange (Gain)/Loss	267	303
	<u>1,531</u>	<u>303</u>
Other		
Repairs and renewals	-	25
Carried forward	-	25

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MUSLIM WELFARE INSTITUTE**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
Other		
Brought forward	-	25
Motor expenses	-	806
Travel expenses	1,299	11,306
	<hr/>	<hr/>
	1,299	12,137
Governance costs		
Auditors' fee	4,800	4,800
Accountancy and legal fees	3,850	1,200
	<hr/>	<hr/>
	8,650	6,000
Total resources expended	<hr/>	<hr/>
	1,807,989	1,774,498
Net income/(expenditure)	<hr/>	<hr/>
	<u>105,469</u>	<u>(154,197)</u>

This page does not form part of the statutory financial statements