

MUSLIM WELFARE INSTITUTE

England & Wales · Charity number 1066665

Details

Status Registered

Legal form Other

Registered 1997-12-04

Register [View on the Charity Commission register](#)

Contact

Address Unit 301
Daisyfield Mill
Appleby Street
Blackburn
BB1 3BL

Phone 01254694015

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Website www.mw institute.org.uk

Activities

Objects: TO ADVANCE ISLAMIC RELIGION, TO ADVANCE EDUCATION AND TO FURTHER SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES SHALL FROM TIME TO TIME DETERMINE

Activities: To work for the betterment of the humanity in Albania, Bosnia, Macedonia, Bangladesh, India, West Bengal and United Kingdom To establish Healthcare, Welfare and Educational projects.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies

Geography

- Albania
- Bangladesh
- Bosnia And Herzegovina
- India
- Macedonia
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£1,669,732	£1,623,749	£505,640	6
2024-12-31	£1,301,861	£1,169,990	£459,657	5
2023-12-31	£1,596,404	£1,719,601	£327,786	5
2022-12-31	£1,518,558	£1,623,869	£450,983	7
2021-12-31	£1,779,527	£1,652,086	£556,294	6
2020-12-31	£1,913,458	£1,807,989	£428,853	8

Trustees

Name	Role	Appointed
Hasan Patel	Chair	2020-01-01
AZIZ RAJE		2021-03-12
Yusuf Ibrahim Ahmed Moosa		2021-03-12

Accounts

Charity registration number 1066665 (England and Wales)

MUSLIM WELFARE INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

MUSLIM WELFARE INSTITUTE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr H M Patel Mr Y Moosa Mr A Raje
Charity number (England and Wales)	1066665
Principal address	Unit 301 Daisyfield Business Centre Blackburn Lancashire BB1 3BL
Auditor	Xeinadin Audit Limited Ground Floor, Citygate Longridge Road Preston Lancashire United Kingdom PR2 5BQ

MUSLIM WELFARE INSTITUTE

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MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

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

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The charity run on the basis of public benefit and not for profit purpose.

Achievements and performance

Significant activities and achievements against objectives

This years annual report covers the 7 countries we are working in at present. We have separated the countries into 3 regions:

- The Balkans which covers Albania, Bosnia and Macedonia.
- United Kingdom which covers England.
- Asia which covers Bangladesh, India and West Bengal.

The Balkans

Albania

Dar-e Arqam Education Centre

Our new Dar – e – Arqam Education Centre in Tirana completed its fourth full year during 2025. Number of projects and activities take place to help and support local community.

Residential Institute - Belesh

Our residential institute at one of the local Mosques in the village of Belesh had been running for over 15 years. Number of projects and activities takes place to help and support local community

Non Residential Institute – Laknas

Our non residential institute opened in Laknas in 2015 and completed its 8th 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

6 Mosques were renovated throughout the year 2025.

Food Distribution Project

To assist needy families, we distributed:

1000 meat bags on the occasion of Eid-ul-Adha.

2000 food packs during the Holy month of Ramadhan & at the time of Eid-ul-Fitr.

Educational Projects

100 classes were funded by the MWI where over 1000 students received free education.

Orphans Sponsorship

550 orphans were sponsored for 12 months.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Bosnia

Following a visit to Bosnia in 2018, the MWI initiated its first 2 projects in Bosnia during the year 2020. We continued with this during the year 2025.

Widows Sponsorship

We sponsored a number of families with a cash grant of £200 each in Srebrenica.

Families Sponsorship

We sponsored a number of families in Mostar with food packs worth £50 each.

Macedonia

Educational projects

13 classes were funded by the MWI where 200 children received free education.

United Kingdom

England

Hardship Assistance Programme:

Blackburn:

Assistance was provided to a number of families who were going through difficult circumstances. Food, clothing, basic essentials, rental payments etc etc were provided. We worked closely with the refugees organisations here in Blackburn, who carried out the due diligence checks.

Asylum seekers/ Refugees:

We assisted a number of asylum seekers here in Blackburn and the Northwest with cash grants.

Asia

Bangladesh

Orphanage Project

Our orphanage constructed at the village of Begumpur completed its 19th 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 were funded where approx. 1500 children acquire secular & religious education.

Food Distribution

Approx 1250 families were provided with Iftaar Packs in Ramadhan. Approx. 1500 gift packs were distributed prior to the festival of Eid-ul-Fitr. 600 meat bags were distributed on the occasion of Eid-ul-Adha.

Orphans Sponsorship

30 orphans sponsored.

Water Programmes

103 hand pumps installed at various locations throughout the year.

Income Support Programme

50 rickshaw vans distributed.

Wheelchair Distribution

100 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

50 cataract operations were performed.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Winter Clothing

1000 winter packs distributed during the winter period.

India

Masjid Construction

5 Masjids constructed.

Weddings Programme

30 weddings financed.

Cataract Operations

100 operations carried out.

Dialysis Services

400 dialysis services carried out.

Food Distribution

2000 food parcels distributed during the holy month of Ramadhan & 2500 at the time of Eid-ul-Fitr.

Widows/Orphans Sponsorship

100 orphans were sponsored in and around the Ahmedabad area.

West Bengal/ Bihar

Students sponsorship

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

Food Distribution

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

Fundraising practices

Visits

MWI representatives/staff visited all the countries that we are working in, to assess and see the projects first hand and ensure they are running smoothly.

Staffing Structure

MWI has 4 full time paid staff. Also, 4 part time teachers in our Aqsa Centre of Excellence and 4 teachers are employed in Albania, who have come from India.

Financial review

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr H M Patel

Mr Y Moosa

Mr A Raje

Recruitment and appointment of trustees

Organisational structure

The MWI trustee structure remains the same. No changes or amendments during the year.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Other matters

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 risk 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.

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).

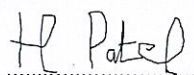
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

The trustees' report was approved by the Board of Trustees.



Mr H M Patel

Trustee

20/05/2026

Date:

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT

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 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 31 December 2025 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; and
- have been prepared in accordance with 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

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 (Accounts and Reports) 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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 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 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 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify and recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journals to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Farook Patel BEng FCA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited, Statutory Auditor
Chartered Accountants
Ground Floor, Citygate
Longridge Road
Preston
Lancashire
PR2 5BQ
United Kingdom

Date: 21/05/2026

Xeinadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	2	164,533	1,497,179	1,661,712	275,289	1,026,572	1,301,861
Charitable activities	3	8,020	-	8,020	-	-	-
Total income		<u>172,553</u>	<u>1,497,179</u>	<u>1,669,732</u>	<u>275,289</u>	<u>1,026,572</u>	<u>1,301,861</u>
Expenditure on:							
Raising funds	5	13,240	-	13,240	9,612	-	9,612
Charitable activities	6	176,624	1,433,885	1,610,509	152,433	1,007,945	1,160,378
Total expenditure		<u>189,864</u>	<u>1,433,885</u>	<u>1,623,749</u>	<u>162,045</u>	<u>1,007,945</u>	<u>1,169,990</u>
Net income/(expenditure)		(17,311)	63,294	45,983	113,244	18,627	131,871
Transfers between funds		22,165	(22,165)	-	24,846	(24,846)	-
Net movement in funds	4	4,854	41,129	45,983	138,090	(6,219)	131,871
Reconciliation of funds:							
Fund balances at 1 January 2025		455,447	4,210	459,657	317,357	10,429	327,786
Fund balances at 31 December 2025		<u>460,301</u>	<u>45,339</u>	<u>505,640</u>	<u>455,447</u>	<u>4,210</u>	<u>459,657</u>

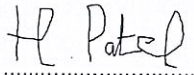
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

MUSLIM WELFARE INSTITUTE**BALANCE SHEET****AS AT 31 DECEMBER 2025**

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		229,196		234,109
Current assets					
Debtors	12	198,785		189,549	
Cash at bank and in hand		89,767		40,800	
		<u>288,552</u>		<u>230,349</u>	
Creditors: amounts falling due within one year	13	<u>(12,108)</u>		<u>(4,801)</u>	
Net current assets			<u>276,444</u>		<u>225,548</u>
Total assets less current liabilities			<u>505,640</u>		<u>459,657</u>
The funds of the charity					
Restricted income funds	14		45,339		4,210
Unrestricted funds	15		460,301		455,447
			<u>505,640</u>		<u>459,657</u>

20/05/2026

The financial statements were approved by the trustees on



Mr H M Patel
Trustee

MUSLIM WELFARE INSTITUTE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	17		48,967		251,208
Investing activities					
Purchase of tangible fixed assets		-		(237,814)	
Net cash used in investing activities			-		(237,814)
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			48,967		13,394
Cash and cash equivalents at beginning of year			40,800		27,406
Cash and cash equivalents at end of year			89,767		40,800

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Charity information

Muslim Welfare Institute is a Unincorporated charity. The registered office address is Unit 301, Daisyfield Mill, Appleby Street, Blackburn, BB1 3BL.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line method
Fixtures and fittings	15% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	164,533	1,497,179	1,661,712	275,289	1,026,572	1,301,861

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from charitable activities		
Fees income	8,020	-

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

4	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	5,040	5,149
	Depreciation of owned tangible fixed assets	4,914	4,942
	Operating lease charges	4,813	4,813
		<u> </u>	<u> </u>
5	Expenditure on raising funds		
		Unrestricted funds	Unrestricted funds
		2025	2024
		£	£
	Fundraising and publicity		
	Staging fundraising events	13,240	9,612
		<u> </u>	<u> </u>
6	Expenditure on charitable activities		
		Charitable activities	Charitable activities
		2025	2024
		£	£
	Direct costs		
	Albania project	907,726	810,261
	India projects	364,560	40,055
	Bangladesh projects	150,188	150,188
	Other donations	2,950	3,652
	Adoption and hardship project	16,777	7,450
	North Macedonia	8,450	7,440
	Bosnia	3,547	-
		<u> </u>	<u> </u>
		1,454,198	1,019,046
	Share of support and governance costs (see note 7)		
	Support	156,311	141,332
		<u> </u>	<u> </u>
		1,610,509	1,160,378
		<u> </u>	<u> </u>
	Analysis by fund		
	Unrestricted funds	176,624	152,433
	Restricted funds	1,433,885	1,007,945
		<u> </u>	<u> </u>
		1,610,509	1,160,378
		<u> </u>	<u> </u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

7 Support costs allocated to activities

	2025 £	2024 £
Staff costs	99,360	78,347
Depreciation	4,914	4,942
Operating lease charges	4,813	4,813
Rates and water	1,364	847
Insurance	368	389
Light and heat	3,690	2,404
Telephone	840	711
Postage and stationary	2,095	6,954
Advertising	300	96
Sundries	4,995	10,189
Bank charges	3,106	3,189
Repairs and renewals	4,387	8,908
Travel expenses	16,123	8,034
Governance costs	9,956	11,509
	<u>156,311</u>	<u>141,332</u>
Analysed between:		
Charitable activities	<u>156,311</u>	<u>141,332</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Employees	<u>6</u>	<u>5</u>
Employment costs		
	2025 £	2024 £
Wages and salaries	91,088	78,316
Social security costs	1,365	31
	<u>92,453</u>	<u>78,347</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

No remuneration of key management personnel during the year.

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2025	237,814	10,890	248,704
At 31 December 2025	237,814	10,890	248,704
Depreciation and impairment			
At 1 January 2025	4,756	9,838	14,594
Depreciation charged in the year	4,756	158	4,914
At 31 December 2025	9,512	9,996	19,508
Carrying amount			
At 31 December 2025	228,302	894	229,196
At 31 December 2024	233,058	1,051	234,109

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	115,387	135,389
Prepayments and accrued income	83,398	54,160
	198,785	189,549

13 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	-	230
Other creditors	7,068	191
Accruals and deferred income	5,040	4,380
	12,108	4,801

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

14 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2025	Incoming resources	Resources expended	Transfers	At 31 December 2025
	£	£	£	£	£
Donations and legacies	4,210	1,497,179	(1,433,885)	(22,165)	45,339
Previous year:	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
Donations and legacies	10,429	1,026,572	(1,007,945)	(24,846)	4,210

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2025	Incoming resources	Resources expended	Transfers	At 31 December 2025
	£	£	£	£	£
General funds	455,447	172,553	(189,864)	22,165	460,301
Previous year:	At 1 January 2024	Incoming resources	Resources expended	Transfers	At 31 December 2024
	£	£	£	£	£
General funds	317,357	275,289	(162,045)	24,846	455,447

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

16 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 December 2025:			
Tangible assets	229,196	-	229,196
Current assets/(liabilities)	217,785	58,659	276,444
	<u>446,981</u>	<u>58,659</u>	<u>505,640</u>
Per balance sheet	460,301	45,339	505,640
Balance to allocate	13,320	(13,320)	-

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Tangible assets	234,109	-	234,109
Current assets/(liabilities)	221,338	4,210	225,548
	<u>455,447</u>	<u>4,210</u>	<u>459,657</u>

Purpose of Unrestricted Funds

General Fund - 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.

17 Cash generated from operations	2025 £	2024 £
Surplus for the year	45,983	131,871
Adjustments for:		
Depreciation and impairment of tangible fixed assets	4,914	4,942
Movements in working capital:		
(Increase)/decrease in debtors	(9,237)	113,994
Increase in creditors	7,307	401
Cash generated from operations	<u>48,967</u>	<u>251,208</u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

18 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

Accounts

Charity registration number 1066665 (England and Wales)

MUSLIM WELFARE INSTITUTE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



MUSLIM WELFARE INSTITUTE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr H M Patel
Mr Y Moosa
Mr A Raje

Charity number (England and Wales)

1066665

Principal address

Unit 301
Daisyfield Business Centre
Blackburn
Lancashire
BB1 3BL

Auditor

Xeinadin Audit Limited
Ground Floor, Citygate
Longridge Road
Preston
Lancashire
United Kingdom
PR2 5BQ

MUSLIM WELFARE INSTITUTE

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MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

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

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The charity run on the basis of public benefit and not for profit purpose.

Achievements and performance

Significant activities and achievements against objectives

This years annual report covers the 7 countries we are working in at present. We have separated the countries into 3 regions:

- The Balkans which covers Albania, Bosnia and Macedonia.
- United Kingdom which covers England.
- Asia which covers Bangladesh, India and West Bengal.

The Balkans

Albania

Dar-e Arqam Education Centre

Our new Dar – e – Arqam Education Centre in Tirana completed its fourth full year during 2024.

Residential Institute - Belesh

Our residential institute at one of the local Mosques in the village of Belesh had been running for over 15 years. 10 students resided on a full time basis, where all their needs were provided for. Many students enrolled for shorter periods and a number of students attended part time courses throughout the year.

Non Residential Institute – Laknas

Our non residential institute opened in Laknas in 2015 and completed its 8th 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

6 Mosques were renovated throughout the year 2024.

Food Distribution Project

To assist needy families, we distributed:

1500 meat bags on the occasion of Eid-ul-Adha.

2000 food packs during the Holy month of Ramadhan & at the time of Eid-ul-Fitr.

Educational Projects

100 classes were funded by the MWI where over 1000 students received free education.

Orphans Sponsorship

550 orphans were sponsored for 12 months.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Bosnia

Following a visit to Bosnia in 2018, the MWI initiated its first 2 projects in Bosnia during the year 2020. We continued with this during the year 2024.

Widows Sponsorship

We sponsored 40 families with a cash grant of £200 each in Srebrenica.

Families Sponsorship

We sponsored 35 families in Mostar with £200 each.

Macedonia

Educational projects

13 classes were funded by the MWI where 200 children received free education.

United Kingdom

England

Hardship Assistance Programme:

Blackburn:

Assistance was provided to a number of families who were going through difficult circumstances. Food, clothing, basic essentials, rental payments etc etc were provided. We worked closely with the refugees organisations here in Blackburn, who carried out the due diligence checks.

Asylum seekers/ Refugees:

We assisted a number of asylum seekers here in Blackburn and the Northwest with cash grants.

Asia

Bangladesh

Orphanage Project

Our orphanage constructed at the village of Begumpur completed its 18th 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 were funded where approx. 1500 children acquire secular & religious education.

Food Distribution

Approx 1250 families were provided with Iftaar Packs in Ramadhan. Approx. 1500 gift packs were distributed prior to the festival of Eid-ul-Fitr. 600 meat bags were distributed on the occasion of Eid-ul-Adha.

Orphans Sponsorship

30 orphans sponsored.

Water Programmes

45 hand pumps installed at various locations throughout the year.

Income Support Programme

60 rickshaw vans distributed.

Wheelchair Distribution

120 wheelchairs distributed.

Group Weddings Programme

Finance was provided for 35 couples who got married at the group weddings programmes that were organised during the year.

Medical Projects

100 cataract operations were performed.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Winter Clothing

1000 winter packs distributed during the winter period.

India

Masjid Construction

4 Masjids constructed.

Weddings Programme

80 weddings financed.

Cataract Operations

200 operations carried out.

Dialysis Services

400 dialysis services carried out.

Food Distribution

2000 food parcels distributed during the holy month of Ramadhan & 2500 at the time of Eid-ul-Fitr.

Widows/Orphans Sponsorship

100 orphans were sponsored in and around the Ahmedabad area.

West Bengal/ Bihar

Students sponsorship

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

Masjid Construction

3 Masjids were constructed.

Food Distribution

1000 food parcels distributed for the holy month of Ramadhan & 1000 at the time of Eid-ul-Fitr.

Fundraising practices

Visits

MWI representatives/staff visited all the countries that we are working in, to assess and see the projects first hand and ensure they are running smoothly.

Financial review

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr H M Patel

Mr Y Moosa

Mr A Raje

Recruitment and appointment of trustees

Organisational structure

The MWI trustee structure remains the same. No changes or amendments during the year.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Other matters

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 risk 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.

Property Purchase

The MWI bought another premises on 18th April 2024 situated on Emerald Street this was previously a nursery, total amount paid £237,814, these premises are used for daily prayers, evening after school activities, charity events to help needy people, refugees, asylum seekers and information sessions to help the local community.

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).

The law applicable to charities in England and Wales 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

The trustees' report was approved by the Board of Trustees.



Mr H M Patel

Trustee

Date: 18/09/25

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT

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 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 31 December 2024 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; and
- have been prepared in accordance with 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

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 (Accounts and Reports) 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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 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 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 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify and recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journals to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

MUSLIM WELFARE INSTITUTE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MUSLIM WELFARE INSTITUTE

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



(Senior Statutory Auditor)

For and on behalf of Xeinaadin Audit Limited, Statutory Auditor

Chartered Accountants

Ground Floor, Citygate

Longridge Road

Preston

Lancashire

PR2 5BQ

United Kingdom

Date: 22/09/2025

Xeinaadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	2	275,289	1,026,572	1,301,861	120,594	1,475,809	1,596,403
Total income		<u>275,289</u>	<u>1,026,572</u>	<u>1,301,861</u>	<u>120,594</u>	<u>1,475,809</u>	<u>1,596,403</u>
Expenditure on:							
Raising funds	3	9,612	-	9,612	10,000	-	10,000
Charitable activities	4	152,433	1,007,945	1,160,378	190,186	1,519,414	1,709,600
Total expenditure		<u>162,045</u>	<u>1,007,945</u>	<u>1,169,990</u>	<u>200,186</u>	<u>1,519,414</u>	<u>1,719,600</u>
Net income/(expenditure)		113,244	18,627	131,871	(79,592)	(43,605)	(123,197)
Transfers between funds		24,846	(24,846)	-	11,827	(11,827)	-
Net movement in funds	6	138,090	(6,219)	131,871	(67,765)	(55,432)	(123,197)
Reconciliation of funds:							
Fund balances at 1 January 2024		317,357	10,429	327,786	385,122	65,861	450,983
Fund balances at 31 December 2024		<u>455,447</u>	<u>4,210</u>	<u>459,657</u>	<u>317,357</u>	<u>10,429</u>	<u>327,786</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

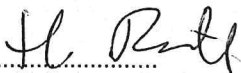
MUSLIM WELFARE INSTITUTE

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	10		234,109		1,237
Current assets					
Debtors	11	189,549		303,543	
Cash at bank and in hand		40,800		27,406	
		<u>230,349</u>		<u>330,949</u>	
Creditors: amounts falling due within one year	12	<u>(4,801)</u>		<u>(4,400)</u>	
Net current assets			<u>225,548</u>		<u>326,549</u>
Total assets less current liabilities			<u>459,657</u>		<u>327,786</u>
The funds of the charity					
Restricted income funds	13		4,210		10,429
Unrestricted funds	14		455,447		317,357
			<u>459,657</u>		<u>327,786</u>

The financial statements were approved by the trustees on18/09/25



 Mr H M Patel
 Trustee

MUSLIM WELFARE INSTITUTE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		251,208		(54,103)
Investing activities					
Purchase of tangible fixed assets		(237,814)		-	
Net cash used in investing activities			(237,814)		-
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			13,394		(54,103)
Cash and cash equivalents at beginning of year			27,406		81,509
Cash and cash equivalents at end of year			40,800		27,406

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

Muslim Welfare Institute is a Unincorporated charity. The registered office address is Unit 301, Daisyfield Mill, Appleby Street, Blackburn, BB1 3BL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line method
Fixtures and fittings	15% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	275,289	1,026,572	1,301,861	120,594	1,475,809	1,596,403

3 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Staging fundraising events	9,612	10,000

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

4 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Albania project	810,261	915,197
India projects	40,055	377,705
Bangladesh projects	150,188	150,212
West Bengal	-	30,055
Other donations	3,652	99,094
Adoption and hardship project	7,450	10,960
North Macedonia	7,440	-
	<u>1,019,046</u>	<u>1,583,223</u>
Share of support and governance costs (see note 5)		
Support	141,332	126,377
	<u>1,160,378</u>	<u>1,709,600</u>
Analysis by fund		
Unrestricted funds	152,433	190,186
Restricted funds	1,007,945	1,519,414
	<u>1,160,378</u>	<u>1,709,600</u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

5 Support costs allocated to activities

	2024 £	2023 £
Staff costs	78,347	86,296
Depreciation	4,942	218
Operating lease charges	4,813	5,215
Rates and water	847	215
Insurance	389	389
Light and heat	2,404	1,265
Telephone	711	612
Postage and stationary	6,954	9,109
Advertising	96	-
Sundries	10,189	5,102
Bank charges	3,189	3,099
Repairs and renewals	8,908	2,435
Travel expenses	8,034	4,832
Governance costs	11,509	7,590
	<u>141,332</u>	<u>126,377</u>
Analysed between:		
Charitable activities	<u>141,332</u>	<u>126,377</u>

6 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,149	5,520
Depreciation of owned tangible fixed assets	4,942	218
Operating lease charges	<u>4,813</u>	<u>5,215</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

2024 Number	2023 Number
<u>5</u>	<u>5</u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

8 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	78,316	84,866
Social security costs	31	1,430
	<u>78,347</u>	<u>86,296</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

No remuneration of key management personnel during the year.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2024	-	10,890	10,890
Additions	237,814	-	237,814
	<u>237,814</u>	<u>10,890</u>	<u>248,704</u>
At 31 December 2024	237,814	10,890	248,704
Depreciation and impairment			
At 1 January 2024	-	9,653	9,653
Depreciation charged in the year	4,756	186	4,942
	<u>4,756</u>	<u>9,839</u>	<u>14,595</u>
At 31 December 2024	4,756	9,839	14,595
Carrying amount			
At 31 December 2024	<u>233,058</u>	<u>1,051</u>	<u>234,109</u>
At 31 December 2023	<u>-</u>	<u>1,237</u>	<u>1,237</u>

11 Debtors

Amounts falling due within one year:	2024 £	2023 £
Other debtors	135,389	235,387
Prepayments and accrued income	54,160	68,156
	<u>189,549</u>	<u>303,543</u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	230	20
Other creditors	191	-
Accruals and deferred income	4,380	4,380
	<u>4,801</u>	<u>4,400</u>

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2024 £
Donations and legacies	<u>10,429</u>	<u>1,026,572</u>	<u>(1,007,945)</u>	<u>(24,846)</u>	<u>4,210</u>
Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
Donations and legacies	<u>65,861</u>	<u>1,475,809</u>	<u>(1,519,414)</u>	<u>(11,827)</u>	<u>10,429</u>

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2024 £
General funds	<u>317,357</u>	<u>275,289</u>	<u>(162,045)</u>	<u>24,846</u>	<u>455,447</u>
Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2023 £
General funds	<u>385,122</u>	<u>120,594</u>	<u>(200,186)</u>	<u>11,827</u>	<u>317,357</u>

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

15 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 December 2024:			
Tangible assets	234,109	-	234,109
Current assets/(liabilities)	221,338	4,210	225,548
	<u>455,447</u>	<u>4,210</u>	<u>459,657</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 December 2023:			
Tangible assets	1,237	-	1,237
Current assets/(liabilities)	316,120	10,429	326,549
	<u>317,357</u>	<u>10,429</u>	<u>327,786</u>

Purpose of Unrestricted Funds General Fund

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.

16 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

MUSLIM WELFARE INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

17	Cash generated from/(absorbed by) operations	2024 £	2023 £
	Surplus/(deficit) for the year	131,871	(123,197)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	4,942	218
	Movements in working capital:		
	Decrease in debtors	113,994	68,395
	Increase in creditors	401	481
	Cash generated from/(absorbed by) operations	<u>251,208</u>	<u>(54,103)</u>

Accounts

MUSLIM WELFARE INSTITUTE
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Xeinadin Audit Ltd (Statutory Auditor)
Ground Floor
Citygate
Longridge Rd
Preston
PR2 5BQ

MUSLIM WELFARE INSTITUTE

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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MUSLIM WELFARE INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Mr Yusuf Ibrahim Ahmed Moosa Mr Aziz Raje Mr Hasan Patel
Principal address	Unit 301 Daisyfield Business Centre Daisyfield Mill, Appleby Street Blackburn Lancashire BB1 3BL
Registered charity number	1066665
Auditors	Xeinadin Audit Ltd (Statutory Auditor) Ground Floor Citygate Longridge Rd Preston PR2 5BQ

The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. 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.

Achievement and performance

Charitable activities

This year's annual report covers the 7 countries we are working in at present. We have separated the countries into 3 regions:

The Balkans which covers Albania, Bosnia and Macedonia.

United Kingdom which covers England.

Asia which covers Bangladesh, India and West Bengal.

The Balkans

Albania

Dar-e Arqam Education Centre

Our Dar-e-Arqam Education Centre in Tirana completed its third full year during 2023. As well as serving as our head office in the Balkans, it also provides accommodation to visiting guests and the centre is utilised on the weekends for orphans and widows' classes.

Jameah Riyadh ul Uloom - Laknas

Our JRU institute opened in Laknas in 2015 and completed its 8th year. The institute is in use for education classes for students, orphans and widows.

Mosques Renovation Programme

10 Mosques were renovated throughout the year 2023. This is now becoming a very popular and regular project in Albania MA.

Food Distribution Project

To assist needy families, we distributed food packs during the Holy month of Ramadhan & at the time of Eid-ul-Fitr. We also distributed meat bags on the occasion of Eid-ul-Adha.

Educational Projects

100 classes were funded by the MWI, where 1600 students received free education.

Orphans Sponsorship

550 orphans were sponsored for 12 months.

Bosnia

Following a visit to Bosnia in 2018, the MWI initiated its first project in Bosnia during the year 2020. We continued with this during the year 2023.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Widows Sponsorship

We sponsored 20 families with a cash grant of £200 each in Srebrenica.

Macedonia

Educational projects

14 classes were funded by the MWI, where 260 children received free education.

United Kingdom

England

Hardship Assistance Programme:

Blackburn:

Assistance was provided to a number of families who were going through difficult circumstances. Food, clothing, basic essentials, rental payments etc etc were provided. We worked closely with the refugees' organisations here in Blackburn, who carried out the due diligence checks.

Asylum seekers/ Refugees:

We assisted a number of asylum seekers here in Blackburn and the Northwest with cash grants.

Asia

Bangladesh

Orphanage Project

Our orphanage constructed in the village of Begumpur completed its 19th 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 were funded where approx. 1500 children acquired secular & religious education.

Food Distribution

Hundreds of needy families were provided with Iftaar Packs in Ramadhan and hundreds of gift packs were distributed prior to the festival of Eid-ul-Fitr. Hundreds of meat bags were distributed on the occasion of Eid-ul-Adha.

Water Programmes

150 hand pumps installed at various locations throughout the year.

Income Support Programme

45 rickshaw vans distributed.

Wheelchair Distribution

25 wheelchairs distributed.

Group Weddings Programme

Finance was provided for 20 couples who got married at the group weddings programmes that were organised during the year.

India

Masjid Construction

3 Masjids constructed.

Weddings Programme

35 weddings financed.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Cataract Operations

80 operations carried out.

Dialysis Services

160 dialysis services carried out.

Food Distribution

Food parcels distributed during the holy month of Ramadhan & at the time of Eid-ul-Fitr.

Widows/Orphans Sponsorship

100 orphans were sponsored in and around the Ahmedabad area.

West Bengal/ Bihar

Students sponsorship

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

Food Distribution

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

Visits

MWI representatives/staff visited Albania and Macedonia during 2023 to assess and see the projects first hand and ensure they are running smoothly.

Structure, governance and management

Charity constitution

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.

Organisational structure

The MWI trustee structure remains the same. No changes or amendments during the year.

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.

Property Sale

The MWI premises on 35 Wellington Street St Johns had been on the market for nearly 2 years. An offer of £245,000 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 2020.

We moved into our new rented office on Monday 30th November 2020. This is Suite 301 at The Daisyfield Business Centre on Appleby Street.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

Structure, governance and management

Property Purchase

A small childrens nursery came on the market towards the end of 2023. Asking price was in the region of £250,000. After viewing the property, we submitted an offer for £235,000 which was accepted. Sale was completed in April 2024.

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 29-10-2024 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 2023 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 2023 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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.



Xeinadin Audit Ltd (Statutory Auditor)
Ground Floor
Citygate
Longridge Rd
Preston
PR2 5BQ

Date: 29/04/2024

MUSLIM WELFARE INSTITUTE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
Income and endowments from					
Donations and legacies	2	120,595	1,475,809	1,596,404	1,518,558
Expenditure on					
Raising funds	3	12,728	-	12,728	10,348
Charitable activities	4				
Restricted expenditure		-	1,519,414	1,519,414	1,396,550
Unrestricted expenditure		63,810	-	63,810	89,367
Support costs		123,649	-	123,649	127,604
Total		200,187	1,519,414	1,719,601	1,623,869
NET INCOME/(EXPENDITURE)		(79,592)	(43,605)	(123,197)	(105,311)
Transfers between funds	11	11,827	(11,827)	-	-
Net movement in funds		(67,765)	(55,432)	(123,197)	(105,311)
Reconciliation of funds					
Total funds brought forward		385,122	65,861	450,983	556,294
Total funds carried forward		317,357	10,429	327,786	450,983

Continuing operations

All income and expenditure has arisen from continuing activities.

MUSLIM WELFARE INSTITUTE

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
Fixed assets					
Tangible assets	8	1,237	-	1,237	1,455
Current assets					
Debtors	9	303,543	-	303,543	371,937
Cash at bank and in hand		16,977	10,429	27,406	81,509
		<u>320,520</u>	<u>10,429</u>	<u>330,949</u>	<u>453,446</u>
Creditors					
Amounts falling due within one year	10	(4,400)	-	(4,400)	(3,918)
Net current assets		<u>316,120</u>	<u>10,429</u>	<u>326,549</u>	<u>449,528</u>
Total assets less current liabilities		<u>317,357</u>	<u>10,429</u>	<u>327,786</u>	<u>450,983</u>
NET ASSETS		<u>317,357</u>	<u>10,429</u>	<u>327,786</u>	<u>450,983</u>
Funds	11				
Unrestricted funds				317,357	385,122
Restricted funds				<u>10,429</u>	<u>65,861</u>
Total funds				<u>327,786</u>	<u>450,983</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29-10-2024 and were signed on its behalf by:



Mr Hasan Patel - Trustee

MUSLIM WELFARE INSTITUTE

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(54,103)	(152,311)
Net cash used in operating activities		(54,103)	(152,311)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(300)
Net cash provided by/(used in) investing activities		-	(300)
Change in cash and cash equivalents in the reporting period		(54,103)	(152,611)
Cash and cash equivalents at the beginning of the reporting period		81,509	234,120
Cash and cash equivalents at the end of the reporting period		27,406	81,509

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(123,197)	(105,311)
Adjustments for:		
Depreciation charges	218	257
Decrease/(increase) in debtors	68,394	(47,483)
Increase in creditors	482	226
Net cash used in operations	<u>(54,103)</u>	<u>(152,311)</u>

2. Analysis of changes in net funds

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	81,509	(54,103)	27,406
	<u>81,509</u>	<u>(54,103)</u>	<u>27,406</u>
Total	<u>81,509</u>	<u>(54,103)</u>	<u>27,406</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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 2023

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 £330,949 (2022: £453,446). A specific provision is made for debts for which reconcilability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £20 (2022: £258).

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment. Those that are receivable after more than one year or that constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. Donations and legacies

	2023	2022
	£	£
Donations	1,596,404	1,518,558

3. Raising funds

Raising donations and legacies

	2023	2022
	£	£
Charity dinner	10,000	5,526
Support costs	2,728	4,822
	<u>12,728</u>	<u>10,348</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Charitable activities costs

	Direct Costs £	Support costs (see note 5) £	Totals £
Restricted expenditure	1,519,414	-	1,519,414
Unrestricted expenditure	63,810	-	63,810
Support costs	-	123,649	123,649
	<u>1,583,224</u>	<u>123,649</u>	<u>1,706,873</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

	2023 £	2022 £
Albania projects	915,198	861,050
India projects	407,760	455,500
Bangladesh projects	150,212	230,000
Adoption and hardship projects	10,960	34,346
Other projects	99,094	56,521
	<u>1,583,224</u>	<u>1,487,417</u>

5. Support costs

	Management £	Finance £	Other £	Governance costs £	Totals £
Raising donations and legacies	-	293	2,435	-	2,728
Support costs	108,421	2,806	4,832	7,590	123,649
	<u>108,421</u>	<u>3,099</u>	<u>7,267</u>	<u>7,590</u>	<u>126,377</u>

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

Management

	2023 Support costs £	2022 Total activities £
Wages	84,866	94,757
Social security	1,430	237
Other operating leases	5,215	6,181
Rates and water	215	1,211
Insurance	389	-
Light and heat	1,265	1,612
Telephone	612	721
Carried forward	<u>93,992</u>	<u>104,719</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Support costs - continued

Management - continued

	2023 Support costs £	2022 Total activities £
Brought forward	93,992	104,719
Postage and stationery	9,109	8,449
Sundries	5,102	372
Fixtures and fittings depreciation	218	257
	<u>108,421</u>	<u>113,797</u>

Finance

			2023	2022
	Raising donations and legacies £	Support costs £	Total activities £	Total activities £
Bank charges	293	2,806	3,099	3,901

Other

			2023	2022
	Raising donations and legacies £	Support costs £	Total activities £	Total activities £
Repairs and renewals	2,435	-	2,435	3,348
Motor expenses	-	-	-	505
Travel expenses	-	4,832	4,832	2,505
	<u>2,435</u>	<u>4,832</u>	<u>7,267</u>	<u>6,358</u>

Governance costs

	2023 Support costs £	2022 Total activities £
Auditors' fee	5,520	4,800
Accountancy and legal fees	2,070	2,070
	<u>7,590</u>	<u>6,870</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

7. Staff costs

	2023	2022
	£	£
Wages and salaries	84,866	94,757
Social security costs	1,430	237
	<u>86,296</u>	<u>94,994</u>

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

	2023	2022
	5	7
Management	<u>5</u>	<u>7</u>

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

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2023 and 31 December 2023	<u>10,890</u>
Depreciation	
At 1 January 2023	9,435
Charge for year	218
At 31 December 2023	<u>9,653</u>
Net book value	
At 31 December 2023	<u>1,237</u>
At 31 December 2022	<u>1,455</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Debtors: amounts falling due within one year

	2023 £	2022 £
Other debtors	235,387	330,387
Prepayments and accrued income	68,156	41,550
	<u>303,543</u>	<u>371,937</u>

10. Creditors: amounts falling due within one year

	2023 £	2022 £
Taxation and social security	20	258
Other creditors	4,380	3,660
	<u>4,400</u>	<u>3,918</u>

11. Movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	385,122	(79,592)	11,827	317,357
Restricted funds				
Donations and legacies	65,861	(43,605)	(11,827)	10,429
TOTAL FUNDS	<u>450,983</u>	<u>(123,197)</u>	<u>-</u>	<u>327,786</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	120,595	(200,187)	(79,592)
Restricted funds			
Donations and legacies	1,475,809	(1,519,414)	(43,605)
TOTAL FUNDS	<u>1,596,404</u>	<u>(1,719,601)</u>	<u>(123,197)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023

11. Movement in funds - continued**Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	294,738	57,775	32,609	385,122
Restricted funds				
Donations and legacies	261,556	(163,086)	(32,609)	65,861
TOTAL FUNDS	<u>556,294</u>	<u>(105,311)</u>	<u>-</u>	<u>450,983</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	285,094	(227,319)	57,775
Restricted funds			
Donations and legacies	1,233,464	(1,396,550)	(163,086)
TOTAL FUNDS	<u>1,518,558</u>	<u>(1,623,869)</u>	<u>(105,311)</u>

Purpose of Unrestricted Funds**General Fund**

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 2023.

Accounts

MUSLIM WELFARE INSTITUTE
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

MUSLIM WELFARE INSTITUTE

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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MUSLIM WELFARE INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Mr Yusuf Ibrahim Ahmed Moosa Mr Aziz Raje Mr Hasan Patel
Principal address	Unit 301 Daisyfield Business Centre Daisyfield Mill, Appleby Street Blackburn Lancashire BB1 3BL
Registered charity number	1066665
Auditors	Xeinadin Audit Ltd (Statutory Auditor) 36 Old Jewry London EC2R 8DD

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

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.

Achievement and performance

Charitable activities

This year's annual report covers the 7 countries we are working in at present. We have separated the countries into 3 regions:

The Balkans which covers Albania, Bosnia and Macedonia.

United Kingdom which covers England.

Asia which covers Bangladesh, India and West Bengal.

The Balkans

Albania

Dar-e Arqam Education Centre

Our new Dar - e - Arqam Education Centre in Tirana completed its third full year during 2022.

Residential Institute - Belesh

Our residential institute at one of the local Mosques in the village of Belesh had been running for 16 years. 10 students resided on a full time basis, where all their needs were provided for. Many students enrolled for shorter periods and a number of students attended part time courses. Due to the Covid pandemic, the institute remained closed for most of 2022. We are looking into changing the venue for this project.

Non Residential Institute - Laknas

Our non residential institute opened in Laknas in 2015 and completed its 7th 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

9 Mosques were renovated throughout the year 2022. Out of these, 6 were on behalf of the Ummah Welfare Trust (UWT).

Food Distribution Project

To assist needy families, we distributed:

1500 meat bags on the occasion of Eid-ul-Adha.

2000 food packs during the Holy month of Ramadhan & at the time of Eid-ul-Fitr.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Educational Projects

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

Orphans Sponsorship

550 orphans 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. We continued with this during the year 2021 and 2022.

Widows Sponsorship

We sponsored 40 families with a cash grant of £200 each in Srebrenica.

Families Sponsorship

We sponsored 35 families in Mostar with £200 each.

Macedonia

Educational projects

13 classes were funded by the MWI where 200 children received free education.

Students scholarships

5 students sponsored for scholarships at the Darul Uloom in Azadville in South Africa.

United Kingdom

England

Hardship Assistance Programme:

Blackburn:

Assistance was provided to a number of families who were going through difficult circumstances. Food, clothing, basic essentials, rental payments etc etc were provided. We worked closely with the refugees organisation here in Blackburn, who carried out the due diligence checks.

Asylum seekers/ Refugees:

We assisted a number of asylum seekers here in Blackburn and the Northwest with cash grants.

Asia

Bangladesh

Orphanage Project

Our orphanage constructed at the village of Begumpur completed its 18th 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 were funded where approx. 1500 children acquire secular & religious education.

Food Distribution

Approx. 1250 families were provided with Iftaar Packs in Ramadhan.

Approx. 1500 gift packs were distributed prior to the festival of Eid-ul-Fitr.

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

Orphans Sponsorship

30 orphans sponsored.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Water Programmes

45 hand pumps installed at various locations throughout the year.

Income Support Programme

60 rickshaw vans distributed.

Wheelchair Distribution

120 wheelchairs distributed.

Group Weddings Programme

Finance was provided for 35 couples who got married at the group weddings programmes that were organised during the year.

Medical Projects

100 cataract operations were performed.

Winter Clothing

1000 winter packs distributed during the winter period.

India

Masjid Construction

4 Masjids constructed.

Weddings Programme

80 weddings financed.

Cataract Operations

200 operations carried out.

Dialysis Services

400 dialysis services carried out.

Food Distribution

2000 food parcels distributed during the holy month of Ramadhan & 2500 at the time of Eid-ul-Fitr.

Widows/Orphans Sponsorship

100 orphans were sponsored in and around the Ahmedabad area.

West Bengal/ Bihar

Students sponsorship

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

Masjid Construction

3 Masjids were constructed.

Food Distribution

1000 food parcels distributed for the holy month of Ramadhan & 1000 at the time of Eid-ul-Fitr.

Visits

MWI representatives/staff visited all the countries that we are working in, to assess and see the projects first hand and ensure they are running smoothly.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Staffing Structure

The MWI has 4 full time paid staff. Also, 3 teachers are employed in Albania, who have come from India.

Property sale

The MWI premises on 35 Wellington Street St Johns had been on the market for nearly 2 years. An offer of £245,000 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

Charity constitution

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.

3 trustees decided to step down from their roles as trustees. They were replaced by another 2 trustees in 2021 year end. The MWI still has 3 trustees in place, as per its constitution.

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.

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

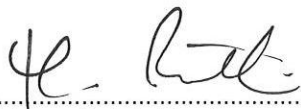
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities - continued

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 2.6.2023 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 2022 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 2022 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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.

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

Date: 5/6/2023

MUSLIM WELFARE INSTITUTE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Donations and legacies	2	285,094	1,233,464	1,518,558	1,771,534
Other income		-	-	-	7,993
Total		<u>285,094</u>	<u>1,233,464</u>	<u>1,518,558</u>	<u>1,779,527</u>
Expenditure on					
Raising funds	3	10,348	-	10,348	4,405
Charitable activities	4				
Restricted expenditure		-	1,396,550	1,396,550	1,380,462
Unrestricted expenditure		89,367	-	89,367	151,564
Support costs		127,604	-	127,604	115,655
Total		<u>227,319</u>	<u>1,396,550</u>	<u>1,623,869</u>	<u>1,652,086</u>
NET INCOME/(EXPENDITURE)		57,775	(163,086)	(105,311)	127,441
Transfers between funds	11	32,609	(32,609)	-	-
Net movement in funds		90,384	(195,695)	(105,311)	127,441
Reconciliation of funds					
Total funds brought forward		294,738	261,556	556,294	428,853
Total funds carried forward		<u>385,122</u>	<u>65,861</u>	<u>450,983</u>	<u>556,294</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

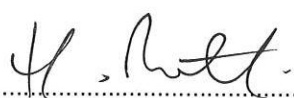
The notes form part of these financial statements

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	8	1,455	-	1,455	1,412
Current assets					
Debtors	9	371,937	-	371,937	324,454
Cash at bank and in hand		15,648	65,861	81,509	234,120
		<u>387,585</u>	<u>65,861</u>	<u>453,446</u>	<u>558,574</u>
Creditors					
Amounts falling due within one year	10	(3,918)	-	(3,918)	(3,692)
Net current assets		<u>383,667</u>	<u>65,861</u>	<u>449,528</u>	<u>554,882</u>
Total assets less current liabilities		<u>385,122</u>	<u>65,861</u>	<u>450,983</u>	<u>556,294</u>
NET ASSETS		<u>385,122</u>	<u>65,861</u>	<u>450,983</u>	<u>556,294</u>
Funds	11				
Unrestricted funds				385,122	294,738
Restricted funds				65,861	261,556
Total funds				<u>450,983</u>	<u>556,294</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 2.6.2023 and were signed on its behalf by:


Mr Hasan Patel - Trustee

The notes form part of these financial statements

MUSLIM WELFARE INSTITUTE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(152,311)	(69,011)
Net cash used in operating activities		(152,311)	(69,011)
Cash flows from investing activities			
Purchase of tangible fixed assets		(300)	-
Net cash (used in)/provided by investing activities		(300)	-
Change in cash and cash equivalents in the reporting period		(152,611)	(69,011)
Cash and cash equivalents at the beginning of the reporting period		234,120	303,131
Cash and cash equivalents at the end of the reporting period		81,509	234,120

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(105,311)	127,441
Adjustments for:		
Depreciation charges	257	249
Increase in debtors	(47,483)	(196,149)
Increase/(decrease) in creditors	226	(552)
Net cash used in operations	<u>(152,311)</u>	<u>(69,011)</u>

2. Analysis of changes in net funds

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	234,120	(152,611)	81,509
	<u>234,120</u>	<u>(152,611)</u>	<u>81,509</u>
Total	<u>234,120</u>	<u>(152,611)</u>	<u>81,509</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.

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 2022

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 £453,446 (2021: £558,574). A specific provision is made for debts for which reconcilability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes £258 (2021: £32).

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment. Those that are receivable after more than one year or that constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. Donations and legacies

	2022	2021
	£	£
Donations	1,518,558	1,771,534

3. Raising funds

Raising donations and legacies

	2022	2021
	£	£
Charity dinner	5,526	1,200
Support costs	4,822	3,330
	<u>10,348</u>	<u>4,530</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Raising funds - continued

Other trading activities

	2022 £	2021 £
Support costs	-	(125)
Aggregate amounts	10,348	4,405

4. Charitable activities costs

	Direct Costs £	Support costs (see note 5) £	Totals £
Restricted expenditure	1,396,550	-	1,396,550
Unrestricted expenditure	89,367	-	89,367
Support costs	1,500	126,104	127,604
	1,487,417	126,104	1,613,521

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

	2022 £	2021 £
Institute Myslyhan Ndlhmes Shqiperi - Albania	861,050	781,548
Jamia Islamia Ishaatul Uloom Akkaluwa - India	305,500	381,777
Islahul Muslmeen Parishad - Bangladesh	230,000	217,137
	1,396,550	1,380,462

5. Support costs

	Management £	Finance £	Other £	Governance costs £	Totals £
Raising donations and legacies	-	3,486	1,336	-	4,822
Support costs	113,797	415	5,022	6,870	126,104
	113,797	3,901	6,358	6,870	130,926

5. Support costs - continued

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

Management

	2022 Support costs £	2021 Total activities £
Wages	94,757	86,176
Social security	237	-
Other operating leases	6,181	3,621
Rates and water	1,211	230
Light and heat	1,612	679
Telephone	721	1,047
Postage and stationery	8,449	9,225
Advertising	-	1,117
Sundries	372	180
Fixtures and fittings depreciation	257	249
	<u>113,797</u>	<u>102,524</u>

Finance

			2022	2021
	Raising donations and legacies £	Support costs £	Total activities £	Total activities £
Bank charges	3,486	415	3,901	3,296
Exchange (Gain)/Loss	-	-	-	(125)
	<u>3,486</u>	<u>415</u>	<u>3,901</u>	<u>3,171</u>

Other

Other			2022	2021
	Raising donations and legacies £	Support costs £	Total activities £	Total activities £
Repairs and renewals	1,336	2,012	3,348	3,505
Motor expenses	-	505	505	-
Travel expenses	-	2,505	2,505	-
	<u>1,336</u>	<u>5,022</u>	<u>6,358</u>	<u>3,505</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**5. Support costs - continued**
Governance costs

	2022	2021
	Support	Total
	costs	activities
	£	£
Auditors' fee	4,800	4,800
Accountancy and legal fees	2,070	2,070
	<u>6,870</u>	<u>6,870</u>

6. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

7. Staff costs

	2022	2021
	£	£
Wages and salaries	94,757	86,176
Social security costs	237	-
	<u>94,994</u>	<u>86,176</u>

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

	2022	2021
Management	<u>7</u>	<u>6</u>

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2022	10,590
Additions	300
At 31 December 2022	10,890
Depreciation	
At 1 January 2022	9,178
Charge for year	257
At 31 December 2022	9,435
Net book value	
At 31 December 2022	1,455
At 31 December 2021	1,412

9. Debtors: amounts falling due within one year

	2022 £	2021 £
Other debtors	330,387	260,408
Prepayments and accrued income	41,550	64,046
	371,937	324,454

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Taxation and social security	258	32
Other creditors	3,660	3,660
	3,918	3,692

11. Movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	294,738	57,775	32,609	385,122
Restricted funds				
Donations and legacies	261,556	(163,086)	(32,609)	65,861
TOTAL FUNDS	556,294	(105,311)	-	450,983

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

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	285,094	(227,319)	57,775
Restricted funds			
Donations and legacies	1,233,464	(1,396,550)	(163,086)
TOTAL FUNDS	<u>1,518,558</u>	<u>(1,623,869)</u>	<u>(105,311)</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	188,011	(79,913)	27,472	135,570
Donations and legacies	159,292	(124)	-	159,168
	<u>347,303</u>	<u>(80,037)</u>	<u>27,472</u>	<u>294,738</u>
Restricted funds				
Donations and legacies	81,550	207,478	(27,472)	261,556
TOTAL FUNDS	<u>428,853</u>	<u>127,441</u>	<u>-</u>	<u>556,294</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	191,462	(271,375)	(79,913)
Donations and legacies	125	(249)	(124)
	<u>191,587</u>	<u>(271,624)</u>	<u>(80,037)</u>
Restricted funds			
Donations and legacies	1,587,940	(1,380,462)	207,478
TOTAL FUNDS	<u>1,779,527</u>	<u>(1,652,086)</u>	<u>127,441</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 2022.

Accounts

MUSLIM WELFARE INSTITUTE
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

MUSLIM WELFARE INSTITUTE

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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MUSLIM WELFARE INSTITUTE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Mr Hasan Moosa Sidat (resigned 11.3.21) Mr Rafiq Ismail Patel (resigned 11.3.21) Mr Mohammad Nagdee (resigned 11.3.21) Mr Yusuf Ibrahim Ahmed Moosa (appointed 12.3.21) Mr Aziz Raje (appointed 12.3.21) Mr Hasan Patel
Principal address	Unit 301 Daisyfield Business Centre Daisyfield Mill, Appleby Street Blackburn Lancashire BB1 3BL
Registered charity number	1066665
Auditors	Xeinadin Audit Ltd (Statutory Auditor) 36 Old Jewry London EC2R 8DD

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. 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.

Achievement and performance

ALBANIA

Dar-e Arqam Education Centre

Our new Dar - e - Arqam Education Centre in Tirana completed its second full year during 2021.

Residential Institute - Belesh

Our residential institute at one of the local Mosques in the village of Belesh had been running for 16 years. 10 students resided on a full time basis, where all their needs were provided for. Many students enrolled for shorter periods and a number of students attended part time courses. Due to the Covid pandemic, the institute remained closed for most of 2021. We are looking into changing the venue for this project.

Non Residential Institute - Laknas

Our non residential institute opened in Laknas in 2015 and completed its 6th 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 2021. 4 were on behalf of the Ummah Welfare Trust (UWT).

Food Distribution Project

To assist needy families, we distributed:

1,440 meat bags on the occasion of Eid-ul-Adha.

2,115 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

500 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. We continued with this during the year 2021.

Widows Sponsorship

We sponsored 40 families with a cash grant of £200 each in Srebrenica.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Families Sponsorship

We sponsored 35 families in Mostar with £200 each.

MACEDONIA

Educational Projects

13 classes were funded by the MWI where 200 children received free education.

UNITED KINGDOM (England)

Hardship Assistance Programme:

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 were provided. We worked closely with the Refugee Organisation here in Blackburn who carried out the due diligence checks.

Asylum seekers/ Refugees:

We assisted a number of asylum seekers and refugee families here in Blackburn and the Northwest with cash grants.

BANGLADESH

Orphanage Project

Our orphanage constructed at the village of Begumpur completed its 17th 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

6,000 people were provided with hot meals daily during the month of Ramadhan.

1500 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

45 hand pumps installed at various locations throughout the year.

Income Support Programme

60 rickshaw vans distributed.

Wheelchair Distribution

120 wheelchairs distributed.

Group Weddings Programme

Finance was provided for 30 couples who got married at the group weddings programmes that were organised during the year.

Medical Projects

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

100 cataract operations were performed.

Winter Clothing

1,000 winter packs distributed during the winter period.

INDIA

Masjid Construction

5 Masjids constructed.

Weddings Programme

20 weddings financed.

Cataract Operations

200 operations carried out.

Dialysis Services

400 dialysis services carried out throughout the year.

Food Distribution

2,500 food parcels distributed for the holy month of Ramadhan & 3,000 at the time of Eid-ul-Fitr.

Widows/Orphans Sponsorship

100 orphans were sponsored in and around the Ahmedabad area.

WEST BENGAL

Students sponsorship

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

Masjid Construction

2 Mosques were constructed.

Food Distribution

1,000 food parcels distributed for the holy month of Ramadhan & 1,000 at the time of Eid-ul-Fitr.

Visits

Due to the Corona Virus, 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 5 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.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Sale of property

The MWI premises on 35 Wellington Street St Johns had been on the market for nearly 2 years. An offer of £245,000 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 unit 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.

3 trustees decided to step down from their roles as trustees. They were replaced by another 2 trustees. The MWI still has 3 trustees in place, as per its constitution

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.

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.

MUSLIM WELFARE INSTITUTE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved by order of the board of trustees on 21/10/2022 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 2021 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 2021 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - agreeing financial statement disclosures to underlying supporting documentation;
 - reading the minutes of meetings of those charged with governance;
 - enquiring of management as to actual and potential litigation and claims; and
 - reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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.



Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

Date: 31/10/2022

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies	2	183,594	1,587,940	1,771,534	1,736,866
Other income		7,993	-	7,993	176,592
Total		<u>191,587</u>	<u>1,587,940</u>	<u>1,779,527</u>	<u>1,913,458</u>
Expenditure on					
Raising funds	3	4,405	-	4,405	3,710
Charitable activities	4				
Restricted expenditure		-	1,380,462	1,380,462	1,520,650
Unrestricted expenditure		151,564	-	151,564	184,807
Support costs		115,655	-	115,655	98,822
Total		<u>271,624</u>	<u>1,380,462</u>	<u>1,652,086</u>	<u>1,807,989</u>
NET INCOME/(EXPENDITURE)		(80,037)	207,478	127,441	105,469
Transfers between funds	11	<u>27,472</u>	<u>(27,472)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(52,565)	180,006	127,441	105,469
Reconciliation of funds					
Total funds brought forward		347,303	81,550	428,853	323,384
Total funds carried forward		<u>294,738</u>	<u>261,556</u>	<u>556,294</u>	<u>428,853</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

MUSLIM WELFARE INSTITUTE

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	8	1,412	-	1,412	1,661
Current assets					
Debtors	9	260,404	64,050	324,454	128,305
Cash at bank and in hand		36,614	197,506	234,120	303,131
		297,018	261,556	558,574	431,436
Creditors					
Amounts falling due within one year	10	(3,692)	-	(3,692)	(4,244)
Net current assets		293,326	261,556	554,882	427,192
Total assets less current liabilities		294,738	261,556	556,294	428,853
NET ASSETS		294,738	261,556	556,294	428,853
Funds	11				
Unrestricted funds				294,738	347,303
Restricted funds				261,556	81,550
Total funds				556,294	428,853

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



Mr Hasan Patel - Trustee

MUSLIM WELFARE INSTITUTE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(69,011)	(100,518)
Net cash used in operating activities		(69,011)	(100,518)
Cash flows from investing activities			
Sale of tangible fixed assets		-	244,798
Net cash provided by investing activities		-	244,798
Change in cash and cash equivalents in the reporting period		(69,011)	144,280
Cash and cash equivalents at the beginning of the reporting period		303,131	158,851
Cash and cash equivalents at the end of the reporting period		234,120	303,131

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	127,441	105,469
Adjustments for:		
Depreciation charges	249	293
Profit on disposal of fixed assets	-	(169,050)
Increase in debtors	(196,149)	(36,224)
Decrease in creditors	(552)	(1,006)
Net cash used in operations	<u>(69,011)</u>	<u>(100,518)</u>

2. Analysis of changes in net funds

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	303,131	(69,011)	234,120
	<u>303,131</u>	<u>(69,011)</u>	<u>234,120</u>
Total	<u>303,131</u>	<u>(69,011)</u>	<u>234,120</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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.

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 2021

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 £558,574 (2020: £431,436). 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 £1,356 (2020: £3,660).

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment. Those that are receivable after more than one year or that constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. Donations and legacies

	2021	2020
	£	£
Donations	1,771,534	1,736,866

3. Raising funds

Raising donations and legacies

	2021	2020
	£	£
Charity dinner	1,200	3,710
Support costs	3,330	-
	<u>4,530</u>	<u>3,710</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Raising funds - continued

Other trading activities

	2021 £	2020 £
Support costs	(125)	-
Aggregate amounts	4,405	3,710

4. Charitable activities costs

	Direct Costs £	Support costs (see note 5) £	Totals £
Restricted expenditure	1,380,462	-	1,380,462
Unrestricted expenditure	151,564	-	151,564
Support costs	2,790	112,865	115,655
	1,534,816	112,865	1,647,681

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

	2021 £	2020 £
Institute Myslyhan Ndlhmes Shqiperi - Albania	781,548	690,080
Jamia Islamia Ishaatul Uloom Akkaluwa - India	381,777	595,390
Islahul Muslmeen Parishad - Bangladesh	217,137	235,180
	1,380,462	1,520,650

5. Support costs

	Management £	Finance £	Other £	Governance costs £	Totals £
Raising donations and legacies	-	2,085	1,245	-	3,330
Other trading activities	-	(125)	-	-	(125)
Support costs	102,524	1,211	2,260	6,870	112,865
	102,524	3,171	3,505	6,870	116,070

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Support costs - continued

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

Management

	2021 Support costs £	2020 Total activities £
Wages	86,176	87,145
Other operating leases	3,621	203
Rates and water	230	2,181
Insurance	-	515
Light and heat	679	1,622
Telephone	1,047	433
Postage and stationery	9,225	6,142
Advertising	1,117	-
Sundries	180	1,596
Fixtures and fittings depreciation	249	293
	<u>102,524</u>	<u>100,130</u>

Finance

				2021	2020
	Raising donations and legacies	Other trading activities	Support costs	Total activities	Total activities
	£	£	£	£	£
Bank charges	2,085	-	1,211	3,296	1,264
Exchange (Gain)/Loss	-	(125)	-	(125)	267
	<u>2,085</u>	<u>(125)</u>	<u>1,211</u>	<u>3,171</u>	<u>1,531</u>

Other

Other			2021	2020
	Raising donations and legacies £	Support costs £	Total activities £	Total activities £
Repairs and renewals	1,245	2,260	3,505	-
Travel expenses	-	-	-	1,299
	<u>1,245</u>	<u>2,260</u>	<u>3,505</u>	<u>1,299</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. **Support costs - continued**
Governance costs

	2021	2020
	Support	Total
	costs	activities
	£	£
Auditors' fee	4,800	4,800
Accountancy and legal fees	2,070	3,850
	<u>6,870</u>	<u>8,650</u>

6. **Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. **Staff costs**

	2021	2020
	£	£
Wages and salaries	86,176	87,145
	<u>86,176</u>	<u>87,145</u>

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

	2021	2020
	6	8
Management	<u>6</u>	<u>8</u>

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

MUSLIM WELFARE INSTITUTE

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2021 and 31 December 2021	10,590
Depreciation	
At 1 January 2021	8,929
Charge for year	249
At 31 December 2021	9,178
Net book value	
At 31 December 2021	1,412
At 31 December 2020	1,661

9. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	260,408	50,387
Prepayments and accrued income	64,046	77,918
	<u>324,454</u>	<u>128,305</u>

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation and social security	32	584
Other creditors	3,660	3,660
	<u>3,692</u>	<u>4,244</u>

11. Movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	188,011	(79,913)	27,472	135,570
Donations and legacies	159,292	(124)	-	159,168
	<u>347,303</u>	<u>(80,037)</u>	<u>27,472</u>	<u>294,738</u>
Restricted funds				
Donations and legacies	81,550	207,478	(27,472)	261,556
	<u>428,853</u>	<u>127,441</u>	<u>-</u>	<u>556,294</u>
TOTAL FUNDS				
	<u>428,853</u>	<u>127,441</u>	<u>-</u>	<u>556,294</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

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	191,462	(271,375)	(79,913)
Donations and legacies	125	(249)	(124)
	191,587	(271,624)	(80,037)
Restricted funds			
Donations and legacies	1,587,940	(1,380,462)	207,478
TOTAL FUNDS	<u>1,779,527</u>	<u>(1,652,086)</u>	<u>127,441</u>

Comparatives for 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	<u>323,384</u>	<u>105,469</u>	<u>428,853</u>

Comparative 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)
	464,057	(287,339)	176,718
Restricted funds			
Donations and legacies	1,449,401	(1,520,650)	(71,249)
TOTAL FUNDS	<u>1,913,458</u>	<u>(1,807,989)</u>	<u>105,469</u>

11. Movement in funds - continued

Purpose of Unrestricted Funds

General Fund

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 2021.

Accounts

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

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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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

**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.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

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
183-185 North Road
Preston
Lancashire
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	4				
Restricted expenditure		-	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.

The notes form part of these financial statements

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		(100,518)	(165,932)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(350)
Sale of tangible fixed assets		244,798	-
Net cash provided by/(used in) investing activities		244,798	(350)
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		158,851	325,133
Cash and cash equivalents at the end of the reporting period		303,131	158,851

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>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	8	7
	<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
	<u>128,305</u>	<u>92,081</u>

10. Creditors: amounts falling due within one year

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

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
	<u>170,585</u>	<u>176,718</u>	<u>347,303</u>
Restricted funds			
Donations and legacies	152,799	(71,249)	81,550
	<u>152,799</u>	<u>(71,249)</u>	<u>81,550</u>
TOTAL FUNDS	<u>323,384</u>	<u>105,469</u>	<u>428,853</u>

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)
	464,057	(287,339)	176,718
Restricted funds			
Donations and legacies	1,449,401	(1,520,650)	(71,249)
TOTAL FUNDS	1,913,458	(1,807,989)	105,469

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
	104,459	66,126	170,585
Restricted funds			
Donations and legacies	373,122	(220,323)	152,799
TOTAL FUNDS	477,581	(154,197)	323,384

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
	224,259	(158,133)	66,126
Restricted funds			
Donations and legacies	1,396,042	(1,616,365)	(220,323)
TOTAL FUNDS	1,620,301	(1,774,498)	(154,197)

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
	<u>1,299</u>	<u>12,137</u>
Governance costs		
Auditors' fee	4,800	4,800
Accountancy and legal fees	3,850	1,200
	<u>8,650</u>	<u>6,000</u>
Total resources expended	<u>1,807,989</u>	<u>1,774,498</u>
Net income/(expenditure)	<u><u>105,469</u></u>	<u><u>(154,197)</u></u>

This page does not form part of the statutory financial statements