

Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 March 2021  
for  
Mushkil Aasaan Limited  
(A Company Limited by Guarantee)

Mushkil Aasaan Limited  
(A company limited by guarantee)

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for the Year Ended 31 March 2021

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Mushkil Aasaan Limited  
(A company limited by guarantee)

Reference and Administrative Details  
for the Year Ended 31 March 2021

**TRUSTEES**

Mrs. Shaheen Farhat  
Mrs. Khalida Mehal  
Mrs. Habib Lateef

**COMPANY SECRETARY**

Mrs. Naseem Aboobaker

**REGISTERED OFFICE**

220-222 Upper Tooting Road  
London  
SW17 7EW

**REGISTERED COMPANY NUMBER** 3810948 (England and Wales)

**REGISTERED CHARITY NUMBER** 1080666

**INDEPENDENT AUDITOR**

Nasir Mahmud FCA  
Chartered Accountant  
Falcon House  
257 Burlington Road  
New Malden  
Surrey  
KT3 4NE

The trustees present their strategic report for the year ended 31 March 2021

## **REVIEW OF BUSINESS**

Mushkil Aasaan continues to demonstrate a clear commitment to ensure communication of the ethos and strategy for the organisation reaches people at all levels. Investors in People observes that 'Mushkil Aasaan is to be congratulated in maintaining the sustainability of the organisation over very challenging times. All of which have been enabled by excellent leadership, management and staff development'.

Mushkil Aasaan successfully overcame the challenges last year with switching from Wandsworth borough to Direct Payments for Homecare services. This success was primarily due to considerable engagement and support from the whole community. It also regained its status as a specialist 'Spot-Purchase Provider' We entered the year with a heightened sense of uncertainty in a backdrop of unprecedented and exceptionally complex challenges in a constantly changing environment in the Charity's history. This included working more collaboratively with Local and Central Government Agencies and multiple sources, who required regular updated Covid 19 Data and Statistics.

Throughout the Lockdown, we continued to provide our Domiciliary Care Service and End of Life Care as Key Workers under the direction of Daily Government Guidance on Infection Control and Personal Protective Equipment (PPE). We were re awarded the NHS AQP Provider Contract in December 2020.

CQC Emergency Support Framework in May 2020 observed that there were systems to assess and respond to risks regarding infection prevention and control and to ensure policies conducive to containing an outbreak were clear and accessible to people using the service. Essential equipment, such as personal protective equipment, was available in sufficient quantities and there were enough suitably skilled staff to provide people with safe care in a respectful and dignified way during the Covid-19 pandemic

Systems enabled the continued management of known risks, as well as enabling to respond to new and emerging risks. There were realistic and workable contingency plans for staffing shortfalls and emergencies during the pandemic. Staff health, safety and wellbeing were protected despite the increased pressures associated with COVID-19.

Action had been taken to properly respond to incidents, alerts or potential safeguarding incidents at the service with effective systems to monitor the overall quality and safety of care being provided at the service during the COVID19 pandemic. Working arrangements and information sharing with system partners during the Covid-19 pandemic were effective.

Investors in People accreditation undertaken during the Covid 19 Pandemic [June2020] confirmed the organisation had clarity of vision and purpose, alongside decisive leadership. "The wonderful caring culture and ethos of the organisation, remains as positive as it always has been. The feedback from staff suggests the vast majority are extremely proud of the organisation, their visibility in the communities, including their training and career development opportunities, they secure in their working with the Charity."

Staff health and wellbeing and training sessions helped promote staff motivation of working in their roles and desire of acting in the service of others. Managing Infection Control and PPE supplies to keep them safe, propagating multilingual literature, faith perspectives and zoom seminars resulted in a successful rate of weekly testing and a 98% vaccinated Workforce.

Strategic Report  
for the Year Ended 31 March 2021

Through lockdown we mobilised and re-organized to maximise upon our limited resources, within a more focused manner to outreaching remotely to those in greatest need, while addressing and managing the panic and fear being expressed in the communities about the well-being of their elderly, in particular those living in intergenerational households or residential care.

Dissemination of daily Government Guidance in multilingual formats enabled us to share our learning, in highlighting the health inequalities that existed within our communities, which was further exacerbated by the presence of the Covid Pandemic.

We operated a constantly available helpline to providing a safety net for the vulnerable families and elderly experiencing social isolation. This was further cushioned by delivering our outreach support services through assistance with shopping and collecting prescriptions and daily hot meals. More importantly maintaining family links with their loved ones in hospital was imperative through the Hospital Chaplaincy Service, while directly supporting bereaved families.

Accordingly, there was a notable increase in assisting welfare rights claimants, domestic violence victims, and mental health concerns, along with homelessness. Our Counselling and Advocacy Service was over-subscribed with "Children In Need" and family relationships becoming very stressed in a climate of financial uncertainties and unemployment and family breakdown.

The year ended on a positive note with a very successful Ramadan and Easter Playscheme for Children and their families under the DFE funded Holiday Activities and Food Programme (HAF). The aim of the programme was to provide free stimulating activities and promote nutritious meals to children in a Covid safe environment.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The reduced annual grant of £45,468 from the Wandsworth Council caters for the over-subscribed Service Level Agreement. Spot-Purchase of our Specialist Domiciliary Services is the Charity's main source of income.

The Trustees are conscious of the reliance on the grant and tentative spot-purchased Domiciliary Care income and the importance to reduce dependency through sustainable and creative initiatives, while increasing revenue and control costs within models of best value.

The unit cost has remained considerably reduced to remain competitive in the market position. Adherence to regulatory requirements and challenges of Covid 19 have resulted in a reduction in earned income to break-even point and raises credible concerns for costings of all subsidised services and future development visions.

As with all entities, no future is assured and an element of risk looms over the future of the Charity. The economic climate and changing patterns of delivery has its own impact on Social Services commissioning. In comparison to last year there has been a sustained level of income generated through the spot-purchasing of Domiciliary Care.

#### **FUTURE PROSPECTS**

##### **Possible Future Opportunities**

The Charity's future direction and existing sustainability is influenced by its grant funding and spot-purchase commissioning.

Current strategic planning explores a range of approaches encompassing better outcomes for our service users and carers as set out in our vision and values.

- With our renewed NHS AQP Pan London Provider Status there is scope to venture

Strategic Report  
for the Year Ended 31 March 2021

into surrounding boroughs to provide these much-needed services. To develop an End-of-Life Care Service in Croydon whilst promoting Carework as a viable profession and providing appropriate training.

- To remain alert on newer opportunities such as the Government Agenda on Integrated Services.
- To co-produce culturally sensitive Psychological Services and Programmes of Health and Wellbeing in Co-production with Wandsworth Community Empowerment Network and statutory services.
- To develop an Intergenerational Supported Housing Scheme Project at our site, 5 North Drive. The very initial process for this venture in a conservation area has commenced with the engagement of an architectural company for a feasibility study and an initial Pre-App meeting.
- Plans are currently in place for the Charity to formalise as a registered Social Housing Provider, a much requested and an unmet need for our elderly who are desiring to downsizing. Also, a stated preference to residential care, recalling what happened in the pandemic to many of the elderly in carehomes. Our planned intergenerational purpose-built project remains a work in progress.

This report was approved by the Board on 29<sup>th</sup> December 2021 signed on its behalf by

Mrs. Shaheen Farhat - Trustee

Report of the Trustees  
for the Year Ended 31 March 2021

The trustees who are also directors of Mushkil Aasaan Limited for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 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).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Mushkil Aasaan is a Registered Charity (No 1080666) and a Company Limited by Guarantee (No 3810948). Its objectives are expressed in the Memorandum of Association. Its Trustees are supported by a Board of Management and two Patrons. The Trustees have had regard to the Charity Commission's guidance on public benefit.

The Trustees, who are also Directors for the purposes of Company Law and who served during the year and up to the date of this report are set out on page 1.

All Trustees and Directors collectively monitor and ensure delivery of its charitable objectives and strategic direction, while upholding the Charity's values. They have responsibility for ensuring good practice, effective governance and management, accurate and transparent financial management and reporting.

Furthermore, they ensure that the Charity complies with relevant laws and requirements of regulatory bodies, such as Care Quality Commission and NHS. They desire that Mushkil Aasaan remains successful and can continue to serve its diverse community as intended.

The priority of our organisation remains, to seek to recruit and appoint new board members / trustees while expanding the skill bank of our organisation through formal training relevant to the Charity needs with clear procedures on roles and

responsibilities as trustees.

### **Key Objectives of the Charity are:**

██████████ To provide care, support, education and training for individuals and families and their carers

██████████ To provide support to people affected by poverty, sickness, family breakdown and social exclusion.

██████████ To develop the capacity and skills of members of socially and/or poor communities to help identify and meet their needs and enable them to participate more fully in society.

██████████ To support people in accessing legal advice and other professional advice and support.

██████████ To provide a service responsive to assessed needs, with equal access to all, regardless of sex, race, income, social class, or other socio-demographic factors.

██████████

Mushkil Aasaan is committed to upholding the rights and dignity of the individual and the family. This is within a holistic model of support, through a range of opportunities, choices, and effective solutions .

Embracing diversity and capitalizing on the strengths of the Communities we serve, our uniqueness lies within the ethos of our Service while addressing inequalities

through community representation, development and advocacy.

We remain committed to supporting our communities that enhances their overall wellbeing, through lifestyle choices and our shared activities, not least women and children who have no recourse to public funds or are experiencing Domestic Violence.

### **Risk Assessment**

Spot-Purchase of our Specialist Domiciliary Services is the Charity's main source of income. The reduced annual grant of £45,468 from the Wandsworth Council caters for the over-subscribed Service Level Agreement.

The unit cost has remained considerably reduced to remain competitive in the market position. Adherence to the requirements of the Care Act and rising National Minimum Wages, Travel Costs, and Electronic Call Monitoring costs have resulted in a reduction in earned income to break-even point and raises credible concerns for costings of all subsidised services and future development visions.

The Trustees are conscious of the reliance on the grant and tentative spot-purchased Domiciliary Care income and the importance to reduce dependency through sustainable and creative initiatives, while increasing revenue and control costs within models of best value.

### **Reserves Policy**

In view of the risks identified, the Trustees consider it prudent to hold unrestricted free reserves to cover approximately 6 months running costs. For the year ended, this amounted to approximately £500, 000.

Any additional unrestricted free reserves have been designated for an identified Supported Housing Project and to enhance the existing services provided as and when deemed necessary.

### **Objectives and activities and Achievements and performance**

The values of Mushkil Aasaan form the basis of how and why the organisation was first created. The senior team describe the values to be imperative for all of the team to display. The key values include respect and dignity of the service users and also empowering them to have their own identity, having a purpose in life and developing themselves.

Investors in People accreditation undertaken during the Covid 19 Pandemic [June 2020] confirmed the organisation had clarity of vision and purpose, alongside decisive leadership. "The wonderful caring culture and ethos of the organisation, remains as positive as it always has been. The feedback from staff suggests the vast majority are extremely proud of the organisation, their visibility in the communities, including their training and career development opportunities, they secure in their working with the Charity."

Amongst the Charities Key Objectives is to provide holistic support and services to women, children, families, young people, and the elderly, responsive to unmet needs. Furthermore, to those affected by social disadvantage and exclusion, including homelessness, family breakdown and domestic violence, while including education and skills-based learning, with equal access to all.

The Covid 19 Pandemic presented our organisation with a refocused learning agenda, in a backdrop of unprecedented and exceptionally complex challenges in a constantly changing environment in the Charity's history.

Throughout Lockdown we mobilised and re-organized to maximise upon our limited



Report of the Trustees  
for the Year Ended 31 March 2021

resources, within a more focused manner to outreaching remotely to those in greatest need. While addressing and managing the panic and fear being expressed in the communities about the well-being of their elderly, those living in intergenerational households or residential care.

There was a notable increase in assisting welfare rights claimants, domestic violence victims and mental health concerns, along with homelessness and bereaved families as an outcome of Covid. Family relationships were becoming very stressed in a climate of financial uncertainties and unemployment. "Children In Need" stressed by family breakdown and bereavement

Operating a constantly available helpline to providing a safety net for the vulnerable families and elderly, in our communities that we serve. This was cushioned by delivering outreach support services to our Elderly experiencing social isolation by providing daily hot meals, assistance with shopping and collecting prescriptions.

Another key service was maintaining family links with their loved ones in hospital through the Chaplaincy Service, while directly supporting bereaved families. Several Volunteers have trained with the Spiritual Centre at St Georges Hospital as part of the Chaplaincy Team to visit and support patients in the Wards.

Dissemination of daily Government Guidance in multilingual formats included working more collaboratively with Local and Central Government Agencies and multiple sources, who required regular updated Covid 19 Data and Statistics. This further enabled us to share our learning, in highlighting the health inequalities that existed within our communities, which was further exacerbated, by the presence of the Covid Pandemic.

For context the Charity was inspected by the Care Quality Commission in the middle of the Covid 19 Pandemic [May 2020] CQC rated the work of the Charity as safe,

effective, caring responsive and a well led, while overall Good in all aspects of its care provision.

CQC found that Careworkers understood the Service Users care needs well and individual preferences while, personnel care was delivered to them in a sensitive manner, including respecting service users' dignity within Covid Safety guidelines of PPE and Infection Control.

Despite the high risks of the pandemic, we managed in the "call for action" to provide a Key Service to all our clients. Our training sessions helped promote care staff motivation and health of working in their roles and desire of acting in the service of others.

Managing guidance on weekly testing, and PPE supplies to keep them safe, propagating multilingual literature, faith perspectives and zoom seminars resulted in a 98% vaccinated work force.

We were re-awarded the contract of End-of-Life Care Services under Pan London NHS Qualified Provider in December 2020. In line with our intrinsic ethos of caring in a culturally appropriate and faith-sensitive manner with professional training and processes and procedures, this Service provides assurance to patients and families at a sensitive time. With this Provider Status there is scope to venture into surrounding boroughs to provide these much-needed services.

The land at the Community Garden at North Drive is used by the local Tooting Transition Project as part of an organic ecology project in which they involve those who are committed to the cause. Children from the local Gatton School have teamed up for the outdoor experience as well as CARAS, the Refugee Group. This served a very therapeutic role for Users during the Pandemic when they were able to come and be near nature in isolation.

Report of the Trustees  
for the Year Ended 31 March 2021

We now have an independent provider delivering Nursery provision at the Zakia Family Centre. This also addresses the objective of providing a service to Children in Need within the statutory definitions while delivering unmet childcare needs for mothers who want to maximise upon the opportunities within the employment market to raising the economic base of the family. We have kept two places in reserve for children whose family are facing a personal crisis in which they have a need for short-term nursery provision, as part of our Charitable purposes.

The Zakia Cultural Heritage Workshop continues to provide an opportunity to women of multi-faith background opportunities to join in with activities such as sewing, knitting, arts and crafts, while enhancing skills-sharing and positive citizenship and zoom meetings during Covid.

The year ended on a very positive and creative note with the Dfe awarding funding to run the HAF programme to combat poverty and mental well-being needs amongst children. Mushkil Aasaan's programme was well received and appraised by the Local Authority.

### **Sustainability, Social Responsibility and Public Impact**

Mushkil Aasaan continues to promote a strong citizenship-based culture of involvement and social responsibility through a range of activities and forums. We continue to strengthen our support networks and links within the wider diverse communities of South London. The importance of developing a shared understanding and cooperation between statutory and secular communities cannot be emphasized enough. Consultancy to Co-professionals and Community representation to statutory services remains a key objective in highlighting unmet needs.

Mushkil Aasaan continues to build its links and support networks with the statutory and voluntary sector and the wider diverse communities of South London which was overwhelmingly evident at its Covid Support.

IIP notes that 'Mushkil Aasaan has a very friendly, positive culture and people throughout the organisation enjoy working there and appear to be loyal and dedicated.

As ever, much of our accomplishments this year could not have been achieved without the continued dedication, and commitment of our Careworkers, Volunteers, Trustees, Management Board and Office-Based Support Team.

The daily complexities and challenges of coordinating an effective ongoing development Project such as Mushkil Aasaan remains for the most part in the hands of Naseem Aboobaker our Project Director and Bernadette Khan our Consultant Social Worker, both of whom work tirelessly beyond the call of duty for the Communities we serve.

To name but a few accomplishments in the year were:  
More than 78, 922 hours of Domiciliary Care throughout the year. At least 30 hours per week of face to face and remote Counselling, Casework and Advocacy Support. Over 50 hours weekly of Volunteering and Crisis Support. At least 500 Users weekly of Support Groups and Centre Activities, Seminars and Events will resume as reopening plans are underway post-Covid.

We remain passionate about our work and support to the families and communities we serve. Our success lies in our ethos of our commitment to address unmet needs with a holistic model of support that promotes best value.

Across a spectrum of very complex and unmet needs, our early interventionist practice model of assessment and support reduces the call later costlier statutory services.

Report of the Trustees  
for the Year Ended 31 March 2021

This model of delivery must make significant and huge saving for the local authority and indeed the public purse, while reducing inequalities.

Our Support Groups, Volunteering and Career Development impact on reducing isolation, promoting well-being and reducing dependency on welfare rights.

Furthermore, our Domiciliary Care Services empower the elderly to remain in their homes and reduce the demands on hospitalisation and other statutory health and social care services.

### **Financial review**

The charity made a net surplus of £258,108 during the year. At the balance sheet date, total unrestricted funds amounted to £7,632,207, including a net revaluation reserve of £932,400 and a deficit of £30,175 on restricted funds.

### **Employee involvement**

Supporting, identifying, nurturing, and providing the opportunities for people to be empowered and to improve themselves is fundamental to the culture of Mushkil Aasaan. Most staff are extremely proud of the organisation, their visibility in the community and the support that is given to the families and communities in the area.

We operate within a culture which supports collaborative working and strong intra-team support. The job shadowing, paired working, training sessions and the informal weekly visits to the office enable this to take place. In addition, people are encouraged to discuss their individual needs and to share and support their team members.

Career development amongst our staff remains an organisational key objective. The central focus of our recruitment, retention and practices is promoting and empowering those who seek such opportunities. This manifests itself in continuing to provide inclusive employment opportunities for male and female Careworkers and Volunteers. The open and transparent leadership of the office team and senior staff sets a positive tone for aspiring leaders and managers throughout the organisation.

There is a considerable amount of training opportunities in this year including both face to face and online. Recent ongoing key training requirement has been related to COVID-19 and Infection Control, Handwashing, Donning and Doffing PPE. Remote online opportunities during the pandemic offered more accessible training on essential topics such as Care Certificate, Level 2 and 3 in Manual Handling, Dementia, End of Life, Skin Care, Depression and Anxiety, and Palliative Care. Management Training has included Care Planning, Covid 19 and Domiciliary Care, Food Hygiene, and Spiritual Support and Psychological Therapies.

### **Statement as to disclosure of information to auditors**

In so far as the trustees are aware:

there is no relevant audit information of which the charitable company's auditors are unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Mushkil Aasaan Limited (A company limited by guarantee) for the purposes of company Law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the charitable company and of the incoming resources and application of resources,

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for the Year Ended 31 March 2021

including the income and expenditure, of the charitable company 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.

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

there is no relevant audit information of which the charitable company's auditor is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AUDITOR**

The auditor, Nasir Mahmud FCA, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29<sup>th</sup> December 2021 and signed on the board's behalf by:

Mrs. Shaheen Farhat - Trustee

Report of the Independent Auditor to the Members of  
Mushkil Aasaan Limited  
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**Opinion**

I have audited the financial statements of Mushkil Aasaan Limited (A company limited by guarantee) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, 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 Companies Act 2006.

**Basis for opinion**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of my report. I am independent of the charitable company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Conclusions relating to going concern**

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 my Report of the Independent Auditor thereon.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which I am required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, I have not identified material misstatements in the Report of the Trustees.

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by me; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**My responsibilities for the audit of the financial statements**

My 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 Auditor that includes my 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. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below:

" Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team)

around actual and potential litigation and claims.

" Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.

" Reviewing minutes of meetings of those charged with governance.

" Reviewing internal audit reports.

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" Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

" Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my Report of the Independent Auditor.

**Use of my report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My audit work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Nasir Mahmud FCA (Senior Statutory auditor)

For and on behalf of

Nasir Mahmud FCA  
Chartered Accountant  
Falcon House  
257 Burlington Road  
New Malden  
Surrey  
KT3 4NE

Date: 29<sup>th</sup> December 2021

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Statement of Financial Activities  
for the Year Ended 31 March 2021

		Unrestricted funds	Restricted fund	31.3.21 Total funds	31.3.20 Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	85,649	45,468	131,117	47,918
Other trading activities	3	1,361,244	-	1,361,244	1,516,484
Investment income	4	<u>182,754</u>	<u>-</u>	<u>182,754</u>	<u>162,215</u>
<b>Total</b>		1,629,647	45,468	1,675,115	1,726,617
<b>EXPENDITURE ON</b>					
Raising funds	5	69,222	-	69,222	130,407
<b>Charitable activities</b>	6				
Spot Purchases		942,813	-	942,813	973,275
Charitable activity		380,679	47,393	428,072	388,792
Governance costs		<u>17,000</u>	<u>-</u>	<u>17,000</u>	<u>14,000</u>
<b>Total</b>		1,410,114	47,393	1,457,506	1,506,474
Net gains on investments		<u>40,500</u>	<u>-</u>	<u>40,500</u>	<u>-</u>
<b>NET INCOME/(EXPENDITURE)</b>		260,033	(1,925)	258,108	220,143
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		7,372,174	(28,250)	7,343,924	7,123,781
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>7,632,207</u>	<u>(30,175)</u>	<u>7,602,032</u>	<u>7,343,924</u>



Mushkil Aasaan Limited  
(A company limited by guarantee)

Balance Sheet  
31 March 2021

	Notes	31.3.21 Total funds £	31.3.20 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	12	507,094	520,964
Investment property	13	<u>4,250,000</u>	<u>4,200,000</u>
		4,757,094	4,720,964
<b>CURRENT ASSETS</b>			
Debtors	14	271,840	326,250
Cash at bank and in hand		<u>2,987,764</u>	<u>2,676,020</u>
		3,259,604	3,002,270
<b>CREDITORS</b>			
Amounts falling due within one year <sup>15</sup>		(196,166)	(170,310)
<b>NET CURRENT ASSETS/ (LIABILITIES)</b>		<u>3,063,438</u>	<u>2,831,960</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,820,532	7,552,924
<b>PROVISIONS FOR LIABILITIES</b>	16	(218,500)	(209,000)
<b>NET ASSETS</b>		<u>7,602,032</u>	<u>7,343,924</u>
<b>FUNDS</b>	17		
Unrestricted funds:			
General fund		6,699,807	6,480,274
Revaluation Reserve		<u>932,400</u>	<u>891,900</u>
		7,632,207	7,372,174
Restricted funds:			
Restricted Fund		<u>(30,175)</u>	<u>(28,250)</u>
<b>TOTAL FUNDS</b>		<u>7,602,032</u>	<u>7,343,924</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29<sup>th</sup> December 2021 and were signed on its behalf by:

Mrs. Shaheen Farhat - Trustee

Mushkil Aasaan Limited  
(A company limited by guarantee)

Cash Flow Statement  
for the Year Ended 31 March 2021

	Notes	31.3.21 £	31.3.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations 1		312,568	181,732
Interest paid		(2,104)	(4,316)
		<hr/>	<hr/>
Net cash provided by operating activities		<u>310,464</u>	<u>177,416</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(3,180)
Interest received		1,279	6,700
Repayment of loan		<hr/>	<u>(183,797)</u>
Net cash provided by investing activities		<u>1,279</u>	<u>(180,277)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		311,743	(2,861)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>2,676,020</u>	<u>2,678,881</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>2,987,763</u>	<u>2,676,020</u>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2021

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.3.21	31.3.20
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	258,108	212,043
<b>Adjustments for:</b>		
Depreciation charges	13,870	13,870
(Gains) / Losses on investments	(40,500)	8,100
Interest received	(1,279)	(6,700)
Interest paid	2,104	4,316
Decrease/(increase) in debtors	54,410	(55,912)
Increase/(decrease) in creditors	25,855	6,015
<b>Net cash provided by operations</b>	<u>312,568</u>	<u>181,732</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	2,676,020	311,743	2,987,763
	<u>2,676,020</u>	<u>311,743</u>	<u>2,987,763</u>
<b>Total</b>	<u>2,676,020</u>	<u>311,743</u>	<u>2,987,763</u>

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

### **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        - Straight line over fifty years

Fixtures and fittings- 25% Straight line

### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities. However, it is subject to income tax on net rental income, and capital gains tax on any capital gains.

### **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.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**2. DONATIONS AND LEGACIES**

	31.3.21	31.3.20
	£	£
Grants	122,495	47,918
Receipts under Job Retention Scheme	<u>8,622</u>	<u>-</u>
	<u>131,117</u>	<u>47,918</u>

This is further analysed as:

Unrestricted:

Covid Infection Control Grant	77,027	-
Receipts under Job Retention Scheme	<u>8,622</u>	<u>-</u>
	<u>85,649</u>	<u>-</u>

Restricted:

Wandsworth Borough Council	<u>45,468</u>	<u>47,918</u>
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**3. OTHER TRADING ACTIVITIES**

	31.3.21	31.3.20
	£	£
Spot purchase services	<u>1,361,244</u>	<u>1,516,484</u>

**4. INVESTMENT INCOME**

	31.3.21	31.3.20
	£	£
Rents received	181,475	155,515
Deposit account interest	<u>1,279</u>	<u>6,700</u>
	<u>182,754</u>	<u>162,215</u>

**5. RAISING FUNDS**

**Other trading activities**

	31.3.21	31.3.20
	£	£
Bad debts	<u>22,336</u>	<u>36,116</u>

**Investment management costs**

	31.3.21	31.3.20
	£	£
Professional fees	-	48,000
Property repairs	19,485	21,292
Tax on rental income	<u>27,801</u>	<u>24,999</u>
	<u>47,286</u>	<u>94,291</u>

Aggregate amounts	<u>69,622</u>	<u>130,407</u>
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Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs	Direct Costs
	2021	2020
	£	£
Spot Purchases	942,813	973,275
Charitable activity	428,071	388,792
Governance costs	<u>17,000</u>	<u>14,000</u>
	<u>1,435,170</u>	<u>1,376,067</u>

**7. NET INCOME/ (EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	13,870	13,870
Fees payable for the audit of the financial statements	<u>7,300</u>	<u>7,300</u>
	<u>21,170</u>	<u>21,170</u>

**8. AUDITOR'S REMUNERATION**

	2021 £	2020 £
<b>Fees payable to Nasir Mahmud</b>		
Fees payable for the audit of the financial statements	7,300	7,300
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	9,700	9,700

**9. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

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

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**10. STAFF COSTS**

	31.3.21	31.3.20
	£	£
Wages and salaries	1,114,050	1,125,355
Social security costs	58,953	57,745
Other pension costs	<u>14,972</u>	<u>16,092</u>
	<u>1,187,975</u>	<u>1,199,192</u>

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

	31.3.21	31.3.20
Care Services	120	97
Administration	<u>09</u>	<u>10</u>
Total	<u>129</u>	<u>107</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.21	31.3.20
£70,001 - £80,000	<u>1</u>	<u>1</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	-	47,918	47,918
Other trading activities	1,516,484	-	1,516,484
Investment income	<u>162,215</u>	<u>-</u>	<u>162,215</u>
<b>Total</b>	1,678,699	47,918	1,726,617
<b>EXPENDITURE ON</b>			
Raising funds	130,407	-	130,407
<b>Charitable activities</b>			
Spot Purchases	973,275	-	973,275
Charitable activity	340,313	48,479	388,792
Governance costs	<u>14,000</u>	<u>-</u>	<u>14,000</u>
<b>Total</b>	1,457,995	48,479	1,506,474
Net gains on investments	<u>(8,100)</u>	<u>-</u>	<u>(8,100)</u>
<b>NET INCOME/ (EXPENDITURE)</b>	212,604	(561)	212,043
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	7,151,470	(27,689)	7,123,781
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>7,372,174</u>	<u>(28,250)</u>	<u>7,343,924</u>

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 April 2020 and 31 March 2021	710,534	18,529	729,063
<b>DEPRECIATION</b>			
At 1 April 2020	196,707	11,392	208,099
Charge for year	<u>10,700</u>	<u>3,170</u>	<u>13,870</u>
At 31 March 2021	207,407	14,562	221,969
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>503,127</u>	<u>3,967</u>	<u>507,094</u>
At 31 March 2020	<u>513,827</u>	<u>7,137</u>	<u>520,964</u>

Included in cost or valuation of land and buildings is freehold land of £175,000 (2020 - £175,000) which is not depreciated.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**13. INVESTMENT PROPERTY**

£

**FAIR VALUE**

At 1 April 2020	4,832,757
Revaluation	<u>50,000</u>

At 31 March 2021	4,882,757
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**AMORTISATION**

At 1 April 2020 and 31 March 2021	<u>632,757</u>
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**NET BOOK VALUE**

At 31 March 2021	<u><u>4,250,000</u></u>
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At 31 March 2020	<u><u>4,200,000</u></u>
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**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.3.21	31.3.20
£	£

Trade debtors	217,338	251,942
Provision for bad debts	(99,409)	(77,073)
Prepayments and accrued income	<u>153,911</u>	<u>151,381</u>
	<u><u>271,840</u></u>	<u><u>326,250</u></u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

31.3.21	31.3.20
£	£

Tax	27,801	24,999
Social security and other taxes	33,136	28,443
Other creditors	49,146	46,642
Accruals and deferred income	<u>86,083</u>	<u>70,226</u>
	<u><u>196,166</u></u>	<u><u>170,310</u></u>

**16. PROVISIONS FOR LIABILITIES**

31.3.21	31.3.20
£	£

Deferred tax	<u><u>218,500</u></u>	<u><u>209,000</u></u>
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Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**17. MOVEMENT IN FUNDS**

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
General fund	6,480,274	219,533	6,699,807
Revaluation Reserve	<u>891,900</u>	<u>40,500</u>	<u>932,400</u>
	7,372,174	260,033	7,632,207
<b>Restricted funds</b>			
Restricted Fund	(28,250)	(1,925)	(30,175)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u>7,343,924</u>	<u>258,108</u>	<u>7,602,032</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,629,647	(1,410,114)	-	219,533
Revaluation Reserve	<u>-</u>	<u>-</u>	<u>40,500</u>	<u>40,500</u>
	1,629,647	(1,410,114)	40,500	260,033
<b>Restricted funds</b>				
Restricted Fund	<u>45,468</u>	<u>(47,393)</u>	<u>-</u>	<u>(1,925)</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u>1,675,115</u>	<u>(1,457,507)</u>	<u>40,500</u>	<u>258,108</u>

**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
<b>Unrestricted funds</b>			
General fund	6,259,570	220,704	6,480,274
Revaluation Reserve	<u>891,900</u>	<u>-</u>	<u>891,900</u>
	7,151,470	220,704	7,372,174
<b>Restricted funds</b>			
Restricted Fund	<u>(27,689)</u>	<u>(561)</u>	<u>(28,250)</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u>7,123,781</u>	<u>220,143</u>	<u>7,343,924</u>

**17. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,678,699	(1,457,995)	220,704
<b>Restricted funds</b>			
Restricted Fund	47,918	(48,479)	(561)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	1,726,617	(1,506,474)	220,143

**18. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2021.

**19. POST BALANCE SHEET EVENT**

Mushkil Aasaan continues to operate without a formal service level agreement for providing homecare services. The contract was not renewed by the Wandsworth Borough Council.

Mushkil Aasaan Limited  
(A company limited by guarantee)

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2021

	31.3.21 £	31.3.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Grants	122,495	47,918
Donated services and facilities	<u>8,622</u>	<u>-</u>
	131,117	47,918
<b>Other trading activities</b>		
Spot purchase services	1,361,244	1,516,484
<b>Investment income</b>		
Rents received	181,475	155,515
Deposit account interest	<u>1,279</u>	<u>6,700</u>
	<u>182,754</u>	<u>162,215</u>
<b>Total incoming resources</b>	1,675,115	1,726,617
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Bad debts	22,336	36,116
<b>Investment management costs</b>		
Professional fees	-	48,000
Property repairs	19,485	21,292
Tax on rental income	<u>27,801</u>	<u>24,999</u>
	69,622	94,291
<b>Charitable activities</b>		
Wages	1,114,050	1,125,355
Social security	58,953	57,745
Pensions	14,972	16,092
Rates and water	8,480	8,250
Insurance	41,393	34,741
Light and heat	7,111	5,927
Telephone	7,244	5,822
Postage and stationery	8,124	7,309
Sundries	21,205	5,897
Travelling	1,074	2,071
Audit	7,300	6,000
Accountancy	24,018	16,981
Consultancy fees	20,020	18,200
Professional fees	32,931	34,873
Repairs and maintenance	3,036	9,868
Community care	2,000	2,750
Freehold property	10,700	10,700
Fixtures and fittings	3,170	3,170
Bank interest	2,104	1,665
Bank loan interest	<u>-</u>	<u>2,651</u>
	1,387,885	1,376,067
<b>Total resources expended</b>	1,457,507	1,506,474
<b>Net income</b>	<u>239,944</u>	<u>220,143</u>