

Company Registration Number - 5567478

The Charity Registration Number is :- 1119977

Muslim Research and Development Foundation

Report and Accounts

31 December 2021



# Muslim Research and Development Foundation

## Report and accounts for the year ended 31 December 2021

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## **Muslim Research and Development Foundation**

Company Registration Number - 5567478

### **Trustees' Annual Report for the year ended 31 December 2021**

The Trustees present their Report and Accounts for the year ended 31 December 2021, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- Muslim Research and Development Foundation.

The charity is also known by its operating name, MRDF.

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1119977.

The charity does not operate in any overseas jurisdictions.

##### ***Legal structure of the charity***

The charity is constituted as a company limited by guarantee, registered under the Companies Acts. The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The governing document is dated 03 June 2007

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

##### **The principal operating address, telephone number, email and web addresses of the charity are:-**

56 Greenfield Road

London, E1 1EJ

Telephone 02032460072

Email Address enquiries@mrdf.co.uk Web address www.mrdf.co.uk

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

##### **The Trustees in office on the date the report was approved were:-**

M Khalid

F Haibatan

Y Patel

##### **The following persons served as Trustees during the year ended 31 December 2021 :-**

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

At the Annual General Meeting all the Trustees retire as trustees, but are eligible for reappointment.

All the trustees are also members of the charity.

## Muslim Research and Development Foundation

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### Trustees' Annual Report for the year ended 31 December 2021

#### Objects and activities of the charity

##### ***The purposes of the charity as set out in its governing document.***

The Charity's objectives and principal activities as set out in the Memorandum and Articles of Association continue to be that of:

- 1) To facilitate the development of leadership skills within the Muslim community.
- 2) The advancement of research into Islamic solutions to challenges faced by Muslims communities, as well as the general population in the UK.
- 3) To facilitate Muslims furthering their knowledge.
- 4) To produce Islamic media.
- 5) To undertake any charitable activity in the pursuit of the above objectives.

##### ***The main activities undertaken in relation to those purposes during the year.***

- a. To deliver our services with adaptations to online platforms and social distancing events.
- b. To provide a variety of courses and workshops for families affected by lockdown.
- c. To follow the 2020 adapted fundraising plans for Ramadan 2021
- d. To be in a stable financial position focusing on being debt free and making sure our working balance is adequate for Q1 in 2022. Leading to being financially sound and not in deficit at the end of the financial year.
- e. To work with our supporters in understanding their needs for education and guidance needs during the change from physical to lockdown.
- f. Realign our vision and mission with clear direction following our principles to all staff, volunteers and key stakeholders.
- g. To work with all funding and government bodies to find ways in stabilising our staff outgoings.

##### ***The main activities undertaken during the year to further the charity's purpose for the public benefit.***

At the beginning of 2021 the whole country was entered into the third lockdown which started on the 6th of January. The wider community as well as minority communities were still affected heavily by the pandemic and the restrictions. The loss of life and restrictions to movement meant that our work was much more important than earlier forecasted by our management teams. As in 2020 many of our volunteers, supporters and were personally affected with loss and family tragedy throughout 2021.

Our activities are following our charitable objectives aimed specifically to the Muslim community but open to the general public to attend and benefit. Our activities aim to strengthen the Muslim community and give guidance to challenges it faces, this was the core to our focus in the pandemic year. As there were no physical attendances to our courses or events, we had to find ways of providing the guidance and direction the community needed through new ways of communications. As with all our events there are no restrictions placed in the attendance or participation of any activity or service offered by the charity. The only exceptions we place are to those activities which refer to a practice of faith upheld by the Muslim community, such as leading prayers or other related acts of the Islamic faith such as prayer.

Our activities, in general, are offered throughout the country, in 2021 we carried on the same plan as in 2020, all activities online alternatives with the emergence of physical retreats towards the end of the year with the restriction for larger groups lifted. Our work in Europe with our partners was only done online and, in many cases, stopped altogether due to the difficult conditions covid placed on smaller communities in Europe.

Our open and clear guidelines prevent an individual from not benefiting from our services. In the Covid-19 period it was even more open and accessible. Thus, we fulfilled our charitable aims in providing benefit in a material way to those who could not afford our activity/service fees, including those in poverty. As is clear in our statements on access and public benefit, we believe there should be no barriers between a member of our community wanting to benefit from our services/activities and their personal financial situation. We have put the following rules in place from our inception to facilitate access to our services.

## Muslim Research and Development Foundation

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### Trustees' Annual Report for the year ended 31 December 2021

#### The main activities undertaken during the year to further the charity's purpose for the public benefit - continued

1. Fees for any service/activity must follow the MRDF fees policy. The policy has at its core the aim of charging an appropriate entry level cost for all the services offered. The charity aims to provide these services at a minimum cost, even though some services generate profit, they do so following a policy of proportional discounts. Fees are always approved by the trustees in line with the policy.

2. The policy provides students and those on low income\* with set discounts within each service/activity.

3. The policy also includes provisions for instalments for those unable to meet the fees of an activity/service. This provision is there for any participant who is unable to attend an activity/service due to being unable to afford the fee, the participant will be allowed to pay in instalments in a jointly agreed payment plan. This payment plan is setup by the administration department and will have further provisions for non-payment of fees if the hardship of returning the fees is overburdening on the participant. This further provision needs a direct approval from the trustees and the finance manager.

We will never prevent those unable to pay due to poverty from having the opportunity in benefitting from our activities or services. We carry out regular checks to make sure there are no private benefits that are especially given to members of the charity or its trustees. All such benefits (whether material or not) are the same as provided to the general public and in those cases where benefits are gained these are incidental.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

#### ***The short term and longer term aims and objectives.***

Short Term Objectives:

1. Publish and distribute 5 publications over the next 5 years
2. Create teaching material for at least 10 courses for 5 years
3. Teach at least 1000 students per year over the next 5 years in different areas across the UK
4. Carry out research into different problems facing the Muslim communities with potential solutions
5. Initiate and support at least 3 projects over the next 5 years towards our building leadership initiatives.

Longer Term Objectives:

1. Educate the Muslim community in the UK, helping them be more effective contributors to society as individuals and communities.
2. Provide training in key skills such as management and productivity to educate individuals
3. Look for solutions to long term problems faced by the Muslim community through research and publications
4. Setting up projects and initiatives that provide solutions to help enhance the Muslim community
5. To build leadership capacity in the Muslim community, through activities supporting individuals as well as organisations aspiring towards leadership.

- a. To increase investment in online platforms for the delivery of our services and events.
- b. To further strengthen our relationship with UK Muslim faith-based charities and organisations that further or fulfill our charitable objectives.
- c. To work with key online fundraising platforms in building a robust fundraising experience for donors.
- d. To activity focus on using volunteers to help with the changing dynamics of online education needs.
- e. To redo risk assessments on all main projects considering our charitable objects considering the new changes to the execution of our services as a charity.
- f. To make a 'coming-out' of pandemic driven finance plan for the organisation
- g. To look into developing new online curricula considering the change from physical to online delivery of services, following on from our 2021 plans.

## **Muslim Research and Development Foundation**

Company Registration Number - 5567478

### **Trustees' Annual Report for the year ended 31 December 2021**

#### ***How the activities undertaken during the year contributed to the achievement of the aims and objectives.***

Following on from 2020 and the Covid-19 pandemic restrictions the organisation was still struggling to stay financially buoyant. As with 2020 we carried on developing the number of paths to fundraising with a clear focus on increasing our connection digitally with donors. We really wanted both those who had donated previously and thus who wanted to know more about the charity in general to be at the core of our communications.

Internally we carried on from the previous year and made sure our vision and mission were cemented in our staff and core volunteers. We carried out with new ways of reaching those needed our services, this was evident with the number of activities carried out outside of the London for the second year running.

#### ***Resources used in the activities undertaken during the year.***

The charity has increased its voluntary income from the previous year. This has allowed it to continue to hold various educational courses, provide an Islamic arbitration service for Muslim in the UK, and provide lectures to external charities. The charity has managed to help over 3000 individuals, which is an increase on the prior period. To enable the charity to provide such services it expended £493,075.

#### ***The contribution of volunteers during the year.***

In 2021 volunteers participated with the charity in less capacity due to the lockdown and general pandemic conditions. Volunteers are the major backbone of our work, they are the real providers of the charity's objectives and without them, the charity would and could not deliver the activities and services it does. As most of our services and activities went online we utilized our volunteers with experience in online tools. We used over 20 volunteers in helping our core staff in delivering our services. In 2020 we used 10 volunteers for our online retreats, in 2021, we experienced the same reduction in volunteer engagement due to the restriction of physical retreats and events.

#### ***The main achievements and performance of the charity during the year.***

- 1) Sabeel eRetreats programme supporting 2 European retreats with its partners
- 2) Sabeel Development Program provided over 12 weekend eRetreats in the UK.
- 3) Sabeel Development programme UK (eRetreats) had a total of 400 students for all cycles.
- 4) Provided guidance to over 30 national UK based charities/organisations. The increase was due to the need for guidance in the Covid-19 climate.
- 5) Fatwa line, answering questions from Muslims and non-Muslims alike about aspects of Islam that affect their daily lives. Helping over 3000 people in 2021, a considerable increase due the further Covid-19 pandemic.
- 6) The provision of 7 Sharia advisors to help in arbitration for the Islamic Council of Europe. All services were provided online as the Islamic Council of Europe moved to online consultancy.
- 7) Running 7 weekend live webinars, Saturday and Sunday, 800 attendees in total.
- 8) Running 2 weekend courses, Friday to Sunday, 200 attendees in total
- 9) Delivering 30 lectures for external organisations (during Ramadan & Dhul Hijjah period). All online.

#### ***Fundraising activities during the year.***

The Charity focuses its fund raising activities to tie into the the Month of Ramadan and the other Islamic holidays, these being:

1. Ramadan general campaign
2. 10 days of Dhul-Hijjah campaign
3. Annual general online campaign

The charity also has a part time fundraising manager that will reach out to potential donors via a high net worth individual campaign. This campaign is on going throughout the year.

## **Muslim Research and Development Foundation**

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### **Trustees' Annual Report for the year ended 31 December 2021**

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity.***

Beneficiaries of the charity have been able to grow in their understanding of key Islamic principles and how to apply them in a modern context through publications that were created and delivered by our researchers and instructors. They have also learnt about the importance of becoming effective contributors to society and how personal effectiveness is so important to communal effectiveness.

The charity also provided guidance on how to build and maintain better relationship between spouses, and for parents with children. This especially important after the negative effect that this area had during the pandemic. Feedback received from service users show how marriages have been saved and families kept together and even if spouses did decide to split they did so in an amicable way.

Thousands benefited from articles that were either written by our researchers or guided through advice that was given and videos that were published tackling an array of topics including the Islamic view on mental health.

#### ***The significant charitable activities undertaken in the year.***

a. The provision of over 12 Sabeel online eRetreats from January to December 2021.

b. To provision of 8 Sihaab (advanced Sabeel) physical social distancing one day programmes.

#### ***How the achievements during the year measure up to the objectives set.***

Our short term objectives our achievement this year contributed to the following areas:

- 1) Distributed two books and published one new book.
- 2) Renewed teaching material for 3 courses within the Sabeel Development Programme.
- 3) Delivered 3 online courses using material created through the Sabeel Development Programme.
- 4) Were able to teach 300 students (throughout the UK) through our Sabeel Development Programme. Partly online and partly in face to face retreats and workshops.
- 5) Participate 2 research areas within the Muslim community experience in marriage and divorce.
- 6) Supported 3 projects in the 'building leadership' arena through the UK.

All the above achievements directly impacted the longer-term objectives set by the charity.

#### ***The performance of material fundraising activities during the year against the fundraising objectives set.***

Fundraising targets were met and even through the difficulty of the Covid pandemic, we continued to grow in the amount of funds raised and the number of donors. The vast majority of our high-net-worth donors continued to donate and all campaigns hit their desired targets, Alhamdulillah. The only physical campaign we were unable to carry out was the 'sponsored trek' that had to be cancelled due to potential lock downs.

#### **Structure, governance and management of the charity**

The Charity is a company limited by Guarantee and was incorporated on 19 September 2005 and registered as a Charity in July 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Directors of the company are also Trustees.

#### ***The methods used to recruit and appoint new charity trustees.***

The Charity utilises all avenues of recruitment - using specialist agencies, contacts and word of mouth, to gather a list of potential candidates. The candidates are then short-listed and interviewed. The process is managed by the CEO.

## Muslim Research and Development Foundation

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### Trustees' Annual Report for the year ended 31 December 2021

#### ***The policies and procedures for the induction and training of trustees.***

New Trustees are appointed based on experience in the areas pertinent to the Charity's objectives and selected by the Board of Trustees. Each new trustee undergoes an orientation day to brief them on their legal obligations under the Charities and Companies Acts. They are provided with the Charity Commission's guidance and a copy of the Memorandum of Association.

#### ***The charity's organisational structure.***

The Charity has a Board of Trustees that are ultimately responsible for the running and management of the Charity. The Board of Trustees is kept informed by an advisory committee on the operational activities of the Charity. The advisory board has been delegated the day-to-day operational activity to a management committee headed by Mr Y Patel, Chief Executive Officer (CEO). The CEO, is also a Trustee and Director of the charitable company. In his role as the CEO he reports to the advisory board. The management committee consists of six individuals, including the CEO.

#### ***How the charity makes decisions and how decisions are delegated.***

The management committee has been authorised to make decisions that impact the daily activities of the Charity, its smooth running and operations. However any decision that will have a material impact - financial or otherwise - is referred to the Trustees.

#### ***The Chief Executive Officer and other senior management personnel to whom day to day management is delegated***

During the period and up to the signing of the financial statement the following applied:

Mr Y Patel - Chief Executive Officer

Mr A Haibatan - Head of Finance

Mr A Ali - Fundraising manager

Mr A Hussain - Head of operations

Mr F Haibatan - Head of Islamic development

Mr J Rashid - Head of legal and communications

#### ***Setting pay and remuneration of key management personnel***

The remuneration of key management is set by the Trustees and salaries reflect the nature of the Charity, its field of expertise as well as the financial resources available to the Charity.

#### ***Key Advisors***

Bankers	HSBC Bank plc, 126 High Road Ilford, Essex IG1 1DA
Solicitors	Saracens Solicitors, Sentinel House, 16 Harcourt Street, London
Accountants	Honest Advisory, 1 Tylecroft road, London, SW16 4BL

#### **Financial review**

##### ***The charity's financial position at the end of the year ended 31 December 2021***

The financial position of the charity at 31 December 2021 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2021	2020
	£	£
<b>Net income</b>	25,292	8,095
Unrestricted Revenue Funds available for the general purposes of the charity	57,484	26,853
Restricted Revenue Funds	-	5,339
<b>Total Funds</b>	57,484	32,192



## **Muslim Research and Development Foundation**

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### **Trustees' Annual Report for the year ended 31 December 2021**

#### ***Financial review of the position at the reporting date, 31 December 2021***

The Trustees consider the financial performance of the Charity to be satisfactory, especially in the challenging environment created by the Covid-19 Pandemic. The current year efforts to increase funding has resulted in increased costs, but has also increased donations, leading to a surplus of £25,292. The current year result is a surplus of £25,292 (2020: £8,095) in line with expectations. The Trustees are continually assessing and evaluating performance in the light of the challenges - financial and non financial - faced by the charity. The net reserves at the year end was £57,484 (2020: £32,192) of which unrestricted funds are £57,484, following the transfer between funds (2020: £26,854) and restricted reserves of Nil (2020: £5,339). There were no changes in fixed assets.

#### ***Policies on reserves.***

The Trustees have reviewed the requirement to maintain a minimum reserve, in light of the main risks faced by the charity and established a reserve policy. It has established a policy that reserves should cover three months of unavoidable costs. This target level is a reserve of £30,000 and it is fully anticipated that this will allow the Charity to meet its fixed and unavoidable costs.

#### ***Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

#### ***Significant events which have affected the financial performance and the financial position.***

The Charity has not been immune to the challenges faced by the wider UK economy and its operational activity has been affected by Covid-19 Pandemic and the Third lockdown that was implemented in January 2021 to June 2021. This had a material impact on the manner in which the Charity could deliver its services and support the wider community. As well as the impact on staff and colleague morale and its ability to recruit and retain staff following the easing of restrictions.

#### ***The major risks to which the Charity is exposed and reviews and systems to mitigate them.***

The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. Exposure to legislative risk and political risk is reviewed as part of the risk register and mitigation are in place.

#### ***Factors likely to affect future financial performance .***

The Charity is dependent on the generosity of Donors, as 75-80% of its income is derived from Donations. The cost of living crisis in the 2022 and wider challenges of inflation are expected to have a material impact on the Charity. However the Charity is looking at ways to mitigate the impact.

## **Muslim Research and Development Foundation**

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### **Trustees' Annual Report for the year ended 31 December 2021**

#### ***Principal funding sources in the year and how these support the key objectives of the charity.***

As detailed in the financial statements the Charity received voluntary donations including Gift Aid of £515,293 and recognised £153,869 from the provision of educational seminars and services and grants of £42,788 (2020: £46,012) This was a decrease on 2020 driven by the covid-19 lock downs at the start of the year. The income raised in the year allowed the Charity to deliver the services mentioned above, see section "main achievements and performance."

#### ***Plans For the Future***

##### **Summary of plans for the future and the trustees' perspective of the future direction of the charity.**

The Trustees will be focused on stabilising the financial position of the charity and the creation of a reliable income source. This will then further enable the charity to expand its activities to more areas of the United Kingdom.

Another area of focus is the expansion of educational material, courses and projects.

#### **Details of The Independent Examiner**

S Issadeen

Member of Member of Institute of Chartered Accountants in England and Wales

1 Tylecroft Road

London

SW16 4BL

## Muslim Research and Development Foundation

Company Registration Number - 5567478

### Trustees' Annual Report for the year ended 31 December 2021

#### Statement of the Directors Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- 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 charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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 are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

#### Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 12 to 29.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 31 October 2022.



Y Patel  
Director and Trustee

## **Muslim Research and Development Foundation**

### **Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 December 2021**

I report to the Trustees on my examination of the financial statements of the charitable company on pages 12 to 29 for the year ended 31 December 2021 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 19.

#### **Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report**

As described on page 9, you, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Basis of Independent Examiner's Statement and scope of work undertaken**

Since the charitable company's gross income exceeded £250,000, the charitable company's examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am an authorised member of Member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

## **Muslim Research and Development Foundation**

### **Independent Examiner's Statement, Report and Opinion**

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

The gross income of the charitable company in the year ended 31 December 2021 appears to exceed the sum specified in Section 145(3) of the Act, namely £250000, and that I am qualified to act as Independent Examiner in accordance with that section by virtue of my being a qualified member of Member of Institute of Chartered Accountants in England and Wales;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Signed:-



S Issadeen - Independent Examiner

Member of Institute of Chartered Accountants in England and Wales

1 Tylecroft Road  
London  
SW16 4BL

This report was signed on 31 October 2022

**Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2021**

*Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 December 2021, as required by the Companies Act 2006)*

					Restated
	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2021 £	2021 £	2021 £	2020 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	515,293	-	<b>515,293</b>	331,350
Charitable activities	A2	153,869	-	<b>153,869</b>	177,416
Other	A5	42,788	-	<b>42,788</b>	46,012
<b>Total income</b>	<b>A</b>	<b>711,950</b>	<b>-</b>	<b>711,950</b>	<b>554,778</b>
<b>Expenditure on:</b>					
Raising funds	B1	72,293	-	<b>72,293</b>	10,128
Charitable activities	B2	614,365	-	<b>614,365</b>	536,555
<b>Total expenditure</b>	<b>B</b>	<b>686,658</b>	<b>-</b>	<b>686,658</b>	<b>546,683</b>
<b>Net income for the year</b>		<b>25,292</b>	<b>-</b>	<b>25,292</b>	<b>8,095</b>
<b>Transfers between funds</b>	<b>C</b>	5,339	(5,339)	-	-
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>30,631</b>	<b>(5,339)</b>	<b>25,292</b>	<b>8,095</b>
<b>Net movement in funds</b>		<b>30,631</b>	<b>(5,339)</b>	<b>25,292</b>	<b>8,095</b>
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>		26,853	5,339	<b>32,192</b>	24,097
<b>Total funds carried forward</b>		<b>57,484</b>	<b>-</b>	<b>57,484</b>	<b>32,192</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required  
All activities derive from continuing operations

*The restatement is to show the grant as a separate activity. See note 19.*

**The notes attached on pages 19 to 29 form an integral part of these accounts.**

**Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2021**

	SORP Ref	Prior Year Unrestricted Funds 2020 £	Prior Year Restricted Funds 2020 £	Prior Year Total Funds 2020 £
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	331,350	-	<b>331,350</b>
Charitable activities	A2	177,416	-	<b>177,416</b>
Other	A5	46,012	-	<b>46,012</b>
<b>Total income</b>	<b>A</b>	<b>554,778</b>	<b>-</b>	<b>554,778</b>
<b>Expenditure on:</b>				
Raising funds	B1	10,128	-	<b>10,128</b>
Charitable activities	B2	536,555	-	<b>536,555</b>
<b>Total expenditure</b>	<b>B</b>	<b>546,683</b>	<b>-</b>	<b>546,683</b>
Net gains on investments	B4	-	-	-
<b>Net income for the year</b>		<b>8,095</b>	<b>-</b>	<b>8,095</b>
<b>Transfers between funds</b>	<b>C</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income after transfers</b>		<b>8,095</b>	<b>-</b>	<b>8,095</b>
<b>Net movement in funds</b>		<b>8,095</b>	<b>-</b>	<b>8,095</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>18,758</b>	<b>5,339</b>	<b>24,097</b>
<b>Total funds carried forward</b>		<b>26,853</b>	<b>5,339</b>	<b>32,192</b>

**All activities derive from continuing operations**

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

**The notes attached on pages 19 to 29 form an integral part of these accounts.**

**Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2021**

**Muslim Research and Development Foundation - Resources applied in the year ended 31 December 2021 towards fixed assets for Charity use:-**

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	25,292	8,095
Resources applied on functional fixed assets	-	-
<b>Net resources available to fund charitable activities</b>	<b>25,292</b>	<b>8,095</b>

**Movements in revenue and capital funds for the year ended 31 December 2021**

**Revenue accumulated funds**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last year Total Funds 2020 £
Accumulated funds brought forward	26,853	5,339	32,192	24,097
Recognised gains and losses before transfers	25,292	-	25,292	8,095
	<b>52,145</b>	<b>5,339</b>	<b>57,484</b>	<b>32,192</b>
(From)/To unrestricted revenue funds	5,339	(5,339)	-	-
<b>Closing revenue funds</b>	<b>57,484</b>	<b>-</b>	<b>57,484</b>	<b>32,192</b>

**Summary of funds**

	Unrestricted and Designated funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last Year Total Funds 2020 £
Revenue accumulated funds	<b>57,484</b>	<b>-</b>	<b>57,484</b>	<b>32,192</b>

The notes attached on pages 19 to 29 form an integral part of these accounts.



**Muslim Research and Development Foundation - Statement of Financial Activities for the year ended 31 December 2021**

**Income and Expenditure Account for the year ended 31 December 2021 as required by the Companies Act 2006**

	2021 £	<i>Restated</i> 2020 £
<b>Income</b>		
Income from operations	602,806	464,899
Refunds from HMRC on gift aided donations	66,356	43,867
Other income	42,788	46,012
<b>Gross income in the year before exceptional items</b>	<b>711,950</b>	<b>554,778</b>
<b>Gross income in the year including exceptional items</b>	<b>711,950</b>	<b>554,778</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	614,365	536,555
Fundraising costs	72,293	10,128
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>686,658</b>	<b>546,683</b>
<b>Net income before tax in the financial year</b>	<b>25,292</b>	<b>8,095</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>25,292</b>	<b>8,095</b>
<b>Retained surplus for the financial year</b>	<b>25,292</b>	<b>8,095</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 19 to 29 form an integral part of these accounts.**

## Muslim Research and Development Foundation - Balance Sheet as at 31 December

	SORP		2021	2020
	Note	Ref	£	£
<b>Current assets</b>		B		
Debtors	9	B2	6,222	30,475
Cash at bank and in hand		B4	80,632	27,065
<b>Total current assets</b>			<u>86,854</u>	<u>57,540</u>
<b>Creditors: amounts falling due within one year</b>	10	C1	<u>(29,370)</u>	<u>(25,348)</u>
<b>Net current assets</b>			57,484	32,192
<b>The total net assets of the charity</b>			<u><b>57,484</b></u>	<u><b>32,192</b></u>
<b>The total net assets of the charity are funded by the funds of the charity, as follows:-</b>				
<b>Restricted funds</b>				
Restricted Revenue Funds	14	D2	-	5,339
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	14	D3	57,484	26,853
			57,484	26,853
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u><b>57,484</b></u>	<u><b>32,192</b></u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA.

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 11.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.



**Y Patel**

Trustee

Approved by the board of trustees on 31 October 2022

**The notes attached on pages 19 to 29 form an integral part of these accounts.**

**Muslim Research and Development Foundation**  
**Cash Flow Statement for the year ended 31 December 2021**

		2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities as shown below	<b>A</b>	<u>53,567</u>	<u>18,294</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		-	-
Purchase of Heritage assets		-	-
Purchase of investments		-	-
<b>Net cash provided by investing activities</b>	<b>B</b>	<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
<b>Net cash provided by financing activities</b>	<b>C</b>	<u>-</u>	<u>-</u>
<b>Overall cash provided by all activities</b>	<b>A+B+C</b>	<u><b>53,567</b></u>	<u><b>18,294</b></u>
<b>Cash movements</b>			
Change in cash and cash equivalents from activities in the year ended 31 December 2021		53,567	18,294
Cash and cash equivalents at 1 January 2021		27,065	8,771
Change in cash and cash equivalents due to exchange rate movements		-	-
<b>Cash at bank and in hand less overdrafts at 31 December</b>		<u><b>80,632</b></u>	<u><b>27,065</b></u>

## Muslim Research and Development Foundation

### Cash Flow Statement for the year ended 31 December 2021

#### Reconciliation of net income to net cash flow from operating activities

Net income as shown in the Statement of Financial Activities	25,292	8,095
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#### **Adjustments for :-**

Write downs of investments	-	-
Net unrealised losses on investment assets	-	-
Decrease/(increase) in debtors	24,253	(3,085)
Increase in creditors, excluding loans	4,022	13,284

<b>Net cash provided by operating activities</b>	<b>A</b>	<b>53,567</b>	<b>18,294</b>
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#### **Analysis of cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand at for the year ended 31 December 2021	80,632	27,065
Notice deposits - (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>80,632</b>	<b>27,065</b>

#### **Analysis of change in net debt**

	<b>At start of year</b>	<b>Cash Flows and</b>	<b>At end of year</b>
Cash	27,065	53,567	80,632
Cash Equivalents	-	-	-
<b>Total</b>	<b>27,065</b>	<b>53,567</b>	<b>80,632</b>

# Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2021

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016.

##### **Risks and future assumptions**

##### **The charity is a public benefit entity.**

The charity is a public benefit organisation whose key aim is to benefit the public. However as such it is highly dependent on donations and the general public attending educational seminars and outreach programmes it hosts. The Trustees are aware of the financial and economic risks faced by the uncertainty of the UK economy. However the Trustees are confident that the charity will be able to attract the public and raise of its projects and objectives.

#### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents donations and income from charitable events it hosts.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

##### **Income recognition**

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably. Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

##### **Accounting for deferred income and income received in advance**

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

# Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2021

### **Donated goods, facilities and services**

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt.

When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

**Donated services and facilities** (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

### **Government Grants**

Revenue grants are recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. CJRS grants have been recognised in the period, compensating for expenses or losses already incurred.

### **Membership subscriptions**

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

### ***Policies relating to expenditure on goods and services provided to the charity.***

#### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

#### **Allocating costs to activities**

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

#### **Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 6

# Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2021

### *Policies relating to assets, liabilities and provisions and other matters.*

#### **Tangible fixed assets**

Tangible fixed assets are measured at their original cost, or if donated, as described above. Cost includes all costs expended in bringing the asset into its intended working condition. Any asset costing less than £500 is not capitalised, but recognised in the income statement.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	33 % straight line
Fixtures and fittings	20 % straight line

A regular annual review of the likelihood of asset impairment is undertaken.

#### **Debtors**

Debtors are measured at their recoverable amounts at the balance sheet date.

#### **Creditors and provisions**

Creditors are measured at market value and recognised in the period to which the benefit is consumed by the charity. Provisions are recognised if the value incurred or consumed is certain and the liability is probable.

#### **Financial instruments including cash and bank balances**

The charity has no Financial instruments except for cash at bank, trade receivables and payables.

#### **Pensions - defined contribution schemes**

The charity operates defined contribution pension scheme in accordance with auto enrolment. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

#### **Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

### **2 Liability to taxation**

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

### **3 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

### **4 Significance of financial instruments to the charity's position**

The charity does not have any significant financial instruments.

### **5 Net surplus before tax in the financial year**

	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	-	-
Trustees' remuneration	-	-
Pension costs	618	490

## Muslim Research and Development Foundation

### Notes to the Accounts for the year ended 31 December 2021

#### 6 The contribution of volunteers

In 2021 volunteers participated with the charity in less capacity due to the lockdown and general pandemic conditions. Volunteers are the major backbone of our work, they are the real providers of the charity's objectives and without them, the charity would and could not deliver the activities and services it does. As most of our services and activities went online we utilized our volunteers with experience in online tools. We used over 20 volunteers in helping our core staff in delivering our services. In 2020 we used 10 volunteers for our online retreats, in 2021, we experienced the same reduction in volunteer engagement due to the restriction of physical retreats and events.

#### 7 Staff costs and emoluments

##### Salary costs

	2021 £	2020 £
Gross Salaries excluding trustees and key management personnel	90,705	71,401
Employer's National Insurance for all staff	-	910
Employer's operating costs of defined contribution pension schemes	618	490
<b>Total salaries, wages and related costs</b>	<b>91,323</b>	<b>72,801</b>

##### Chief Executive Officer

The remuneration in the year was	10,200	10,200
<b>Total remuneration package included in total salaries above</b>	<b>10,200</b>	<b>10,200</b>

Mr Y Patel received a salary of £10,200 (2020 £10,200) for his role as a CEO and general manager. He did not receive any remuneration for his role as a Trustee.

#### 8 Remuneration and payments to Trustees and persons connected with them

None of the Trustees or persons connected with them received any remuneration from the charity, or from any related entity for their role and responsibility as a Trustee.

#### 9 Debtors

	2021 £	2020 £
Prepayments and accrued income	1,000	28,465
Other debtors	5,222	2,010
	<b>6,222</b>	<b>30,475</b>

#### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	22,247	6,400
Accruals	1,500	1,250
PAYE, NIC VAT and other taxes	623	-
Other creditors	5,000	17,698
	<b>29,370</b>	<b>25,348</b>

#### 11 Guarantees made by the charity on behalf of trustees

There are no guarantees made by the charity on behalf of the Trustees or Directors

#### 12 Income and Expenditure account summary

	2021 £	2020 £
<b>At 1 January 2021</b>	32,192	24,097
Surplus after tax for the year	25,292	8,095
<b>At 31 December 2021</b>	<b>57,484</b>	<b>32,192</b>



# Muslim Research and Development Foundation

## Notes to the Accounts for the year ended 31 December 2021

### 13 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	86,854	-	-	86,854
Current Liabilities	(29,370)	-	-	(29,370)
	<b>57,484</b>	<b>-</b>	<b>-</b>	<b>57,484</b>
At 1 January 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Current Assets	52,201	-	5,339	57,540
Current Liabilities	(25,348)	-	-	(25,348)
	<b>26,853</b>	<b>-</b>	<b>5,339</b>	<b>32,192</b>

### 14 Change in total funds over the year as shown in Note 13 , analysed by individual funds

	Funds brought forward from 2020	Movement in funds in 2021	Transfers between funds in 2021	Funds carried forward to 2022
		See Note 15	See Note 16	
<b>Unrestricted funds:-</b>	£	£	£	£
Unrestricted Revenue Funds	26,853	25,292	5,339	57,484
<b>Total unrestricted and designated funds</b>	<b>26,853</b>	<b>25,292</b>	<b>5,339</b>	<b>57,484</b>
<b>Restricted funds:-</b>				
Prophetic timeline	5,339	-	(5,339)	-
<b>Total restricted funds</b>	<b>5,339</b>	<b>-</b>	<b>(5,339)</b>	<b>-</b>
<b>Total charity funds</b>	<b>32,192</b>	<b>25,292</b>	<b>-</b>	<b>57,484</b>

### 15 Analysis of movements in funds over the year as shown in Note 14

	Income 2021 £	Expenditure 2021 £	Other Gains & Losses 2021 £	Movement in funds 2021 £
<b>Unrestricted funds:-</b>				
Unrestricted Revenue Funds	711,950	(686,658)	-	25,292
Unrestricted Revaluation Reserve	-	-	-	-
	<b>711,950</b>	<b>(686,658)</b>	<b>-</b>	<b>25,292</b>

## Muslim Research and Development Foundation

### Notes to the Accounts for the year ended 31 December 2021

#### 16 Details of transfers between funds

*The transfers shown in note 14 above are:-*

	2021	2020
	£	£
Transfers to/( from) Unrestricted Funds to cover deficits on Restricted Funds or when funds are lawfully reallocated	5,339	
To/(from) Restricted Revenue Funds	(5,339)	
<b>Net transfers</b>	<b>-</b>	<b>-</b>

#### 17 The purposes for which the funds

##### **Unrestricted funds:-**

Unrestricted Revenue Funds These funds are held for meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

##### **Restricted funds:-**

Prophetic Timeline The Restricted fund represents donations specifically given for the "Prophetic Timeline" program and for the publication of a "Dua Book". Once these activities are completed the Charity has been permitted by the Donors to use the funds on its other charitable activities.

#### 18 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity is obliged to contribute such amount as may be required not exceeding £10 to the assets of the company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

#### 19 Prior year restated

The Prior year has been restated to show grants as a separate income source. This has no impact on the opening reserves or the surplus in the year.

# Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2021 as required by the SORP 2015

*This analysis is classsified by conventional nominal descriptions and not by activity.*

## 20 Donations, Grants and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
<b>Donations and gifts from individuals</b>				
Small donations individually less than £1000	286,141	-	286,141	287,483
Refunds from HMRC on gift aided donations	66,356	-	66,356	43,867
Other Donations	162,796	-	162,796	-
<b>Total donations and gifts from individuals</b>	<b>515,293</b>	<b>-</b>	<b>515,293</b>	<b>331,350</b>
<b>Donations and gifts from individuals (Include HMRC refunds on gift aided donations)</b>				
<b>Total Donations, Grants and Legacies</b>	<b>515,293</b>	<b>-</b>	<b>515,293</b>	<b>331,350</b>

## 21 Total Income from charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
<b>Current year</b>				
Total income from charitable activities	153,869	-	153,869	177,416
<b>Total from charitable activities A2</b>	<b>153,869</b>	<b>-</b>	<b>153,869</b>	<b>177,416</b>
<b>Other income and gains</b>				
<b>Current year</b>				
	2021	2021	2021	2020
	£	£	£	£
Grant	42,788	-	42,788	46,012
<b>Total other income A5</b>	<b>42,788</b>	<b>-</b>	<b>42,788</b>	<b>46,012</b>

## 22 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
<b>Current Year</b>				
Gross wages and salaries - charitable activities	69,405	-	69,405	42,660
Employers' NI - Charitable activities	-	-	-	910
Defined contribution pension costs - charitable activities	472	-	472	490
Marketing and advertising of charitable services	48,196	-	48,196	80,889
<b>Total direct spending B2a</b>	<b>118,073</b>	<b>-</b>	<b>118,073</b>	<b>124,949</b>

## Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2021 as required by the SORP 2015

### 23 Expenditure on charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Cost of goods for primary purpose	417,790	-	417,790	314,469
<b>Total charitable trading costs B2b</b>	<b>417,790</b>	<b>-</b>	<b>417,790</b>	<b>314,469</b>

### 24 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
<b>Employee costs not included in direct costs</b>				
Salaries - Administrative staff	21,300	-	21,300	28,741
Defined contribution pension cost - administrative staff	146	-	146	-
<b>Premises Expenses</b>				
Licence fees payable	29,430	-	29,430	37,400
Rates and water charges	1,915	-	1,915	1,909
Light heat and power	1,502	-	1,502	3,212
Cleaning and waste management	-	-	-	(210)
Storage	16,565	-	16,565	16,621
<b>Administrative overheads</b>				
Telephone, fax and internet	1,056	-	1,056	1,267
Stationery and printing	-	-	-	63
Sundry expenses	(20)	-	(20)	-
Canteen and staff ents	374	-	374	-
Office consumables	1,588	-	1,588	814
<b>Professional fees paid to advisors other than the auditor or examiner</b>				
Accountancy fees other than examination or audit fees	1,836	-	1,836	1,250
Consultancy fees	-	-	-	6,070
Other legal and professional	2,660	-	2,660	-
Bookkeeping	150	-	150	-
<b>Support costs before reallocation</b>	<b>78,502</b>	<b>-</b>	<b>78,502</b>	<b>97,137</b>
<b>Total support costs - Current Year</b>	<b>78,502</b>	<b>-</b>	<b>78,502</b>	<b>97,137</b>

The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

## Muslim Research and Development Foundation

Detailed analysis of income and expenditure for the year ended 31 December 2021 as required by the SORP 2015

### 25 Total Charitable expenditure

<i>Current Year</i>		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2021 £	2021 £	2021 £	2020 £
Total direct spending	<b>B2a</b>	118,073	-	118,073	124,949
Total charitable trading costs	<b>B2b</b>	417,790	-	417,790	314,469
Total support costs	<b>B2d</b>	78,502	-	78,502	97,137
<b>Total charitable expenditure</b>	<b>B2</b>	<b>614,365</b>	<b>-</b>	<b>614,365</b>	<b>536,555</b>

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds	
		2020 £	2020 £	2020 £	
Total direct spending	<b>B2a</b>	124,949	-	124,949	
Total charitable trading costs	<b>B2b</b>	314,469	-	314,469	
Total support costs	<b>B2d</b>	97,137	-	97,137	
<b>Total charitable expenditure</b>	<b>B2</b>	<b>536,555</b>	<b>-</b>	<b>536,555</b>	

### 26 Expenditure on raising funds and costs of investment management

<i>Current Year</i>		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2021 £	2021 £	2021 £	2020 £
Fundraising publicity & marketing		72,293	-	72,293	10,128
<b>Total fundraising costs</b>	<b>B1</b>	<b>72,293</b>	<b>-</b>	<b>72,293</b>	<b>10,128</b>

All the expenditure in the prior year was unrestricted.

## Muslim Research and Development Foundation

Activity analysis of Income and expenditure for the for the year ended 31 December 2021

*This analysis is classsified by activity and not by conventional nominal descriptions.*

### 27 Analysis of income by activity

	SOFA ref	2021 £	2020 -
<b>Activity</b>			
<b>Income from charitable activities</b>			
Income from educational activities		153,869	177,416
<b>Summary of Total Income, including the items above</b>			
Charitable activities	A2	153,869	177,416
Donations & Legacies	A1	515,293	331,350
Other income	A5	42,788	46,012
<b>Total income as shown in the SOFA</b>		<b>711,950</b>	<b>554,778</b>
<b>Categories of income</b>			
Income from exchange transactions		711,950	554,778

### 28 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2021	2021	2021	2021	2020
	£	£	£	£	£
<b>Charitable activity</b>					
Direct costs	118,072	-	-	118,072	124,949
Charitable trading costs	417,790	-	-	417,790	314,469
Employee costs not included in direct cos	-	21,446	-	21,446	28,742
Premises expenses	-	49,411	-	49,411	58,931
Administrative overheads	-	2,998	-	2,998	2,144
Professional fees	-	4,647	-	4,647	7,320
<b>Total Charitable activity</b>	<b>535,862</b>	<b>78,501</b>	<b>-</b>	<b>614,364</b>	<b>536,555</b>
<b>Summary of charitable costs by activity</b>					
	Direct costs	Support costs	Grant funding of activities	Total	Total
	2021	2021	2021	2021	2020
	£	£	£	£	£
Total Charitable activity	535,862	78,501	-	614,364	536,555
<b>Total charitable expenditure</b>	<b>535,862</b>	<b>78,501</b>	<b>-</b>	<b>614,364</b>	<b>536,555</b>

## Muslim Research and Development Foundation

### Activity analysis of Income and expenditure for the for the year ended 31 December 2021

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 25

#### Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable activity	-	-	21,446	57,055	78,501

### 29 Analysis of non charitable expenditure by activity

#### Activity

##### *Fundraising activities*

	Fundraising activities 2021 £	Fundraising activities 2020 £
Direct fundraising costs	72,293	10,128
Indirect fundraising costs:-	-	-
<b>Total non charitable expenditure</b>	<b>2021 £ 72,293</b>	<b>2020 £ 10,128</b>
Total costs of Fundraising activities	72,293	10,128
<b>Total non charitable expenditure</b>	<b>72,293</b>	<b>10,128</b>