

Unity Welfare Foundation

Trustees' report and Financial statements

For the year ended 31 March 2021



9 Whitwell Road, Plaistow
London, E13 8BP
www.uwf.org.uk
Registered charity no: 1131928

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LEGAL AND ADMINISTRATIVE INFORMATION

Status

The trustees present their annual report and the financial statements for the year ended 31 March 2021 and confirm they comply with the Charities Act 2011, the trust deed and the Charities SORP 2015.

Board of Trustees

Mohammed Inham Uddin
Hussain Ahmed
Saiful Alom
Muhammed Shayesta Miah
Shamim Uddin Ahmed
Shah Muhammed Anas
Muhammed Moinul Haque Choudhury
Mohammed Azizur Rahman

Registered charity number: 1131928

Registered Office

9 Whitwell Road
Plaistow
London
E13 8BP

Independent Examiner

Alamgir Hossain

Bankers

HSBC Bank
Lloyds Bank
NatWest Bank
Barclays Bank
Al Rayan Bank

ABOUT UWF

Our Objectives

Our objectives are set to reflect our faith and community aims. Each year our trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review, the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Our dual aims remain to provide a facility where Muslims can worship and to provide a community facility. Our long-term ambition is to build economically self-sustainable organization and through our community facilities and activities help make a difference in our community.

Our mission

Our mission is to build model communities by creating a tension-free family through sustainable development programs that tackle the root causes of poverty.

What we do

Unity Welfare Foundation UWF set up in 2009. UWF aims to help the poor especially females to overcome the suffering endured due to natural disasters, and lack of life's basic necessities with all needy people regardless of their race, religion, gender, nationality or political opinion. Initial projects have been in Bangladesh but the plan is to take this worldwide.

We work on strategic programmes to eliminate poverty that focus upon education, skills training, healthcare, income generation projects and creating sustainable livelihoods.

These projects ensure that individuals in general and females particular can have access to basic necessities and the skills necessary to generate an income, so they are

not permanently dependent on aid agencies for food and shelter.

In today's world, females are vulnerable to exploitation of many kinds. In some areas, they resort to selling their body to support family and suffer from male dominance.

Creating successful communities is at the core of all our work UWF believes that a stable family unit is vital in ensuring the safety of vulnerable individuals and communities. UWF project aims to achieve this by providing assistance to couples to set up businesses and educating them in key social skills.

Since its inception, it has been the desire of UWF to work with other like-minded organisations. We are committed to ensuring that all donations reach those in needs, rather than being spent on administration, unless donor allow us to do so explicitly.

STRUCTURE: GOVERNANCE AND MANAGEMENT

Governing document

Unity Welfare Foundation is constituted as a charitable trust registered with the Charity Commission in September 2009 under charity number 1131928.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits. However, two trustees are also employed as staff to perform administrative and secretarial duties for the Charity.

The Board meets on a quarterly basis to review the organisation's progress and strategy and maintain financial oversight. As a small organisation, there is a strong level of involvement of the Board in supporting UWF's growth and development ranging from fundraising support to drafting policies and representing the organisation at external events.

Trustees Responsibility Statement

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the provisions of the trust deed. 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.

The trustees for the purposes of charity law who served during the year and up to the date of this report are set out on page 1.

Risk Management

The Board of Trustees has a risk management strategy which comprises:

- A quarterly review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The main risks identified by the Board of Trustees in this year include:

- Reputational risk of working with other organisations or individuals which may affect our credibility amongst our diverse range of stakeholders.

- Changes to the law on charities and campaigning. The Board is staying up to date with developments and ensuring that UWF remains compliant with requirements.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of both elders and community leaders. The trustees believe this approach ensures that new trustees are respected members of the faith and local communities and ensures that good relations are fostered between the Mosque and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the

Charities Act. Initially, new trustees work with an existing trustee assisting on particular activities and projects run by the charity. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

Volunteers recruiting procedure

Unity Welfare Foundation's work would not be possible without the large numbers of volunteers who get involved in the day-to-day office activities as well as supporting at events and other activities. Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community. We encourage all members of our foundation to be involved in voluntary activities and to share their skills with others. All those volunteers working with projects involving children or other vulnerable groups are CRB checked.

Public benefit

The Board of Trustees confirm that they abide by the Charity Commission's general guidance on public benefit complying with Section 4 of the Charities Act 2011 to have due regard to public benefit in pursuance of its objectives and activities.

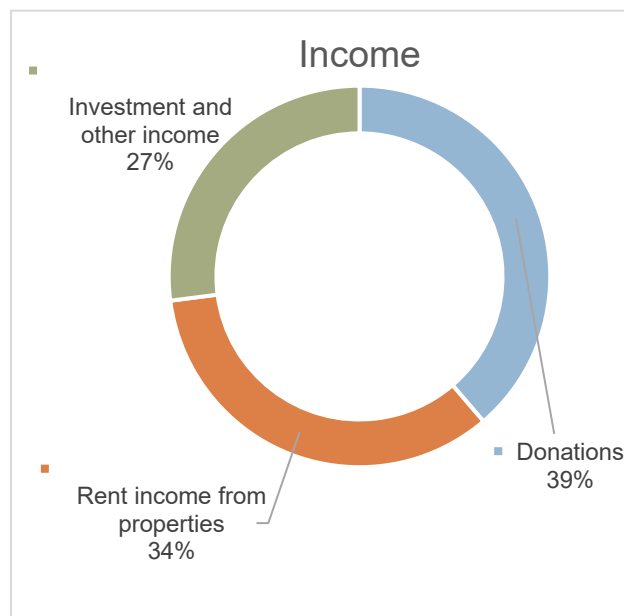
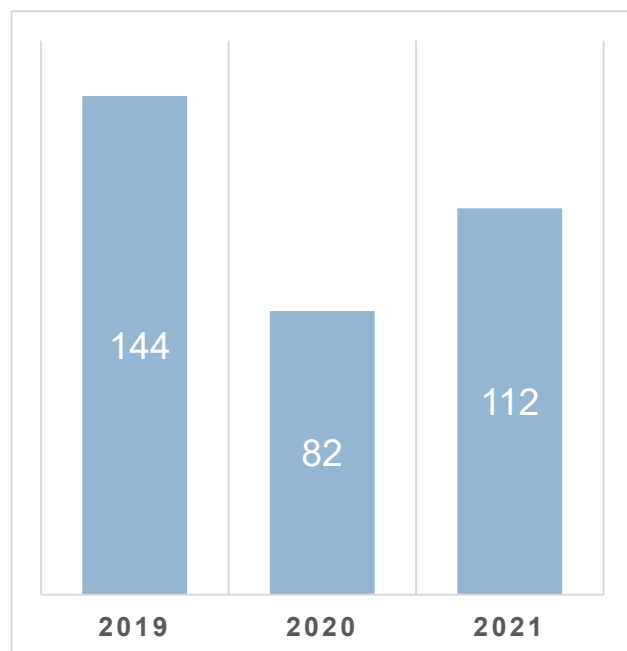
FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out on page 8 to 15 of the attached Financial Statements and comply with applicable laws and requirements of the 'Accounting and Reporting by Charities: Statement of Recommended Practice' (SORP) issued by the Charity Commission.

The trustees have identified no material uncertainties that may cast a doubt on the ability of the charity to continue as a going concern.

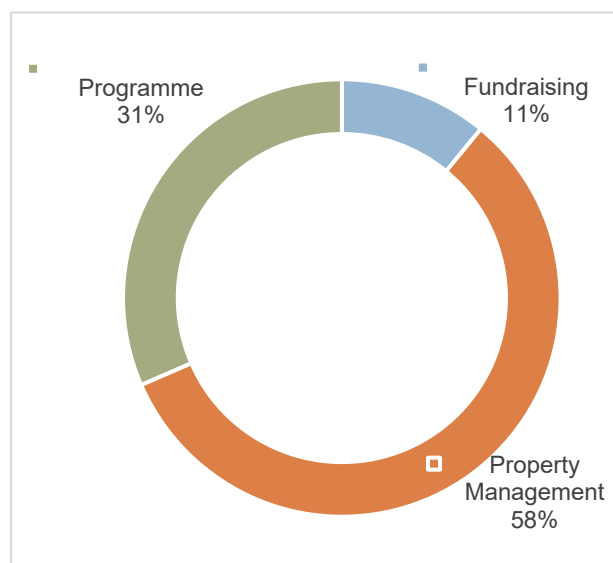
Income

The Charity's total income for the year was £111.6k (2020: £81.9k), an increase of 36% compared to the previous financial year. The donation income has decreased by 21%, but the rental income has increased by 38%.



Expenditure

Our total expenditure for the year ended 31 March 2021 was £145.9k (2020: £82.6k). The expenditure on charitable objective was £45.9k (2020: £75k). Expenditure on investment properties was £84.3k.



Net assets

The balance sheet for the charity shows a balance of net assets £987.6k (2020 £1m), representing no changes in the working capital and reserves during the financial year.

Financial risk

The Board of Trustees have the overall responsibility for ensuring the Charity has an appropriate system of controls, financial and otherwise, across the entire organisation in order to provide reasonable assurance that:

- Its assets are safeguarded against unauthorised use or disposition,
- Proper records are maintained and that financial information is reliable,
- The Charity complies with relevant laws and regulations.

Tangible fixed assets

The changes in tangible fixed assets during the period are shown in note 7 to the financial statements.

Investment policy

The Investment Policy of the Charity is to invest its surplus funds and secure loan (Quard Hasana) from local community to invest in properties those will generate income for the Charity. The profit generates from investment properties are utilized in the charitable purpose.

Liabilities

The Charity had an outstanding balance of £1.78m of Quard Hasana loan from local community and bounce back loan from HSBC £50k

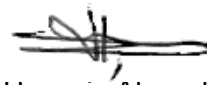
Reserve policy

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls to implement long-term strategic programmes and

enable UWF to carry out its essential projects. The reserve policy ensures, as far as possible, the sustainability of charitable activities across various sectors.

The policy aims to have sufficient free reserves to enable UWF to cope with fluctuations and to hold at least the equivalent of three months' running cost of (£50k). The total reserves on 31 March 2021 were £986k (2020: £1m). In addition, Trustees designated £1.3k as UWF's fixed assets.

The accounts of the Charity was approved by the Board of Trustees on 08 December 2021



Hussain Ahmed
Chairman



Saiful Alom
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF TRUSTEES OF UWF

I report on the accounts of the Unity Welfare Foundation for the year ended 31st March 2021, which are set out on pages 8 to 15.

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(1) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and

the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
3. this report is prepared solely for the use of Unity Welfare Foundation only. No responsibility is assumed to any other person.



Alamgir Hossain

Date: 08 December 2021

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME					
<i>Voluntary income:</i>					
Donations	2	43,123	-	43,123	54,273
Income from investment properties	3	38,100	-	38,100	27,600
Other income	4	30,340	-	30,340	14
TOTAL INCOME		111,563	-	111,563	81,887
EXPENDITURE					
Costs of raising funds:					
Fundraising cost		15,642	-	15,642	7,082
Expenditure on investment properties		84,358	-	84,358	-
Expenditure on charitable activities:					
UK Programme		45,887	-	45,887	65,099
Overseas Aid		-	-	-	10,402
TOTAL EXPENDITURE	5	145,887	-	145,887	82,583
Net income/(expenditure) and net movement in funds for the year		(34,324)	-	(34,324)	(696)
Reconciliation of funds:					
Total Funds brought forward	11	1,021,928	-	1,021,928	1,022,624
Total funds carried forward		987,604	-	987,604	1,021,928

The results for the year shown above all derive from continuing operations.

All recognised gains and losses are reflected in the Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 11 to 15 form an integral part of these financial statements.

BALANCE SHEET

As at 31 March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	7	1,371	1,921
Investment properties	8	2,604,143	1,689,079
		<u>2,605,514</u>	<u>1,691,000</u>
Current assets			
Debtors		-	-
Cash at bank and in hand		219,610	192,658
		<u>219,610</u>	<u>192,658</u>
Creditors: amounts falling due within one year	9	(8,290)	(1,500)
		<u>2,816,834</u>	<u>1,882,158</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(1,829,230)	(860,230)
Net assets		<u>987,604</u>	<u>1,021,928</u>
The funds of the charity:			
Unrestricted income funds			
- General fund	11	986,233	1,020,007
- Designated fund	11	1,371	1,921
Restricted income funds		-	-
Total charity funds		<u>987,604</u>	<u>1,021,928</u>

The financial statements were approved by the Trustees on: 08 December 2021 and signed on its behalf by:



Hussain Ahmed
Chairman



Saiful Alom
Trustee

The accompanying notes on pages 11 to 15 form an integral part of these Financial Statements.

CASHFLOW STATEMENT

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Reconciliation of operating gain to net cash inflow from operating activities			
Operating (loss) / gain		(34,324)	(696)
Add: Depreciation		550	550
Decrease / (increase) in debtors		-	-
(Decrease) / increase in creditors		975,790	303,500
Net cash inflow /(outflow) from operating activities		942,016	303,354
Cash flow statement			
Net cash inflow /(outflow) from operating activities		942,016	303,354
Net investment in properties		(915,064)	(350,348)
Payments to acquire tangible fixed assets		-	-
Increase / (decrease) in cash in the year	13	26,952	(46,994)
Reconciliation of net cash flow to movement in net funds			
Increase / (decrease) in cash in the year		26,952	(46,994)
Net funds at 1 April 2020		192,658	239,652
Net funds at 31 March 2021		219,610	192,658

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounting policies below have been adopted for material items.

b) Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when UWF is entitled to the receipt and the amount can be measured with reasonable certainty. Gifts in Kind for which UWF accepts full responsibility for distribution are included in income at their market value when it is distributed and under Charitable Activities at the same value and time. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

c) Resources expended

Resources expended are recognised in the year in which they are incurred.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

d) Tangible fixed assets and depreciation

Non-programme expenditure of more than £50 per item for buildings, equipment and leasehold improvements is capitalised at cost. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	Straight line over the life of the lease
Freehold properties	5% straight line
Computers and software	25% straight line
Fixtures and fittings	10% straight line
Office equipment	15% straight line
Motor vehicles	15% straight line

e) Funds

General funds are unrestricted funds which are necessary for the proper functioning of the charity and other funds available for use at the discretion of the trustees in furtherance of the charity's objectives.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are subject to specific restrictions as imposed by the donor or nature of the appeal.

f) Taxation

As a registered charity, UWF is exempt from taxation of income and gains to the extent these are applied to charitable objectives.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

2 Donations			Total	Total
	Unrestricted	Restricted	2021	2020
	£	£	£	£
Collection and Donation	22,087	-	22,087	27,983
Friday prayer collection	13,290	-	13,290	7,055
School collection	7,746	-	7,746	19,235
	<u>43,123</u>	<u>-</u>	<u>43,123</u>	<u>54,273</u>
3 Rent income from investment properties			Total	Total
	Unrestricted	Restricted	2021	2020
	£	£	£	£
25 Carmen St	3,000		3,000	6,000
29 Hunter Road	13,500		13,500	-
9 Whitwell Rd	21,600		21,600	21,600
	<u>38,100</u>	<u>-</u>	<u>38,100</u>	<u>27,600</u>
4 Other income			Total	Total
	Unrestricted	Restricted	2021	2020
	£	£	£	£
Bank deposit profit	-	-	-	14
Furlough grant income	30,340	-	30,340	-
	<u>30,340</u>	<u>-</u>	<u>30,340</u>	<u>14</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

5	Analysis of expenditure on charitable activities				2021	2020
	Direct costs	Staff costs	Support costs	Total costs	Total costs	
	£	£	£	£	£	
	Cost of generating funds	10,836	4,475	331	15,642	7,082
	Expenditure on investment property	77,485	6,399	474	84,358	-
Charitable activities						
	UK Programme	12,743	30,860	2,284	45,887	65,099
	Overseas Aid	-	-	-	-	10,402
Total Charitable activities		12,743	30,860	2,284	45,887	75,501
Total expenditure		101,064	41,734	3,089	145,887	82,583

5.1 Analysis of governance and support costs

	2021	2020
	£	£
Governance cost		
Professional and Legal fee	1,500	1,500
	1,500	1,500
Support costs		
Telephone	751	642
Bank charge	-	-
General expenses	288	2,751
Depreciation	550	550
	1,589	3,943
	3,089	5,443

6 Staff cost and number of employees

	2021	2020
	Number	Number
The average monthly numbers of employees in the UK during the year were:		
Permanent	2	2
Volunteer (head count)	8	11
Employment costs		
	2021	2020
	£	£
Gross Pay	41,734	36,411
Employer's national insurance	-	-
	41,734	36,411

Salary paid to two staff are also trustees of the Charity.

No employee earned more than £60,000 during the year (2020: None).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

7 Tangible fixed assets

	Computers & software	Fixtures & fittings	Total
Cost	£	£	£
At 1 April 2020	390	5,495	5,885
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2021	390	5,495	5,885
Depreciation			
At 1 April 2020	390	3,574	3,964
Charge for the year	-	550	550
Disposals	-	-	-
As at 31 March 2021	390	4,124	4,514
Net book values			
At 31 March 2021	-	1,371	1,371
NBV at 31 March 2020	-	1,921	1,921

8 Investment properties

	2021 £	2020 £
9 Whitwell Rd, E13 8BP	326,434	326,434
Lord Stanley, 25 Carmen St, E	497,354	497,354
Bexhill Islamic Centre	397,364	397,364
Birmingham Bilal Academy	117,579	117,579
29 Hunter Rd	350,348	350,348
191 Dersingham Avenue E12 5 QJ	581,600	-
69 Oval Rd RM10 9ET	243,900	-
115 School Rd, Land	89,564	-
	2,604,143	1,689,079

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Salary Payable	6,790	-
Other creditors	1,500	1,500
	8,290	1,500

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

10	Creditors: amounts falling due in more than one year			2021	2020	
				£	£	
	Qard Hasanah					
	Opening balance			860,230	556,730	
	Add: Receipt during the year			988,500	565,730	
	Less: Payment during the year			(69,500)	(262,230)	
	Outstanding balance of Qard Hasana			1,779,230	860,230	
	Bounceback Loan from HSBC			50,000	-	
				1,829,230	860,230	
11	Unrestricted fund balances					
		As at	Incoming	Resources	As at	
		01-Apr-20	Resources	Expended	31-Mar-21	
	Unrestricted funds	£	£	£	£	
	General fund	1,020,007	111,563	(145,887)	986,233	
	Designated fund (Fixed assets)	1,921	-	-	1,371	
	Total funds	1,021,928	111,563	(145,887)	987,604	
12	Net assets by funds			Unrestricted	Restricted	Total
				£	£	£
	Tangible fixed assets			1,371	-	1,371
	Net assets			987,604	-	987,604
				988,975	-	988,975
13	Analysis of change in net funds			Opening		Closing
				balance		balance
				1 April	Cash flow	31 March
				2020	movement	2021
				£	£	£
	Cash at bank and in hand			192,658	26,952	219,610