
MUSTAFA WELFARE SOCIETY BOLTON

A C C O U N T S

For the year ended 31 March 2021

<p>PHILIP BURLEY & CO Chartered Accountants WHITBY</p>

MUSTAFA WELFARE SOCIETY BOLTON

I N D E X

Statement of Officers	Page 1
Trustees' Report	Page 2
Statement of Trustees' Responsibilities	Page 5
Independent Examiner's Report	Page 6
Statement of Financial Activities	Page 7
Balance Sheet	Page 8
Accounting Policies	Page 9
Notes on the Accounts	Page 11

Statement of Officers

Registered Number	1144639	
Trustees/ Executive Committee	Dr Syed Nayyer Raza Dr Syed Mohammad Tabani Dr Syed Naseer Haider Naqvi Syed Mazhar Ul Hassan	Dr Sarfraz Khan Arsul Hussain Syed Farhad Raza Naqvi Israr Hussain Shah
Principal Address	2 Thorns Road Bolton BL1 6NX	
Principal Banker	HSBC 1-3 Victoria Square Bolton BL1 1RJ	
Independent Examiner	MRC Sheen FCA Philip Burley & Co 28 Bagdale Whitby YO21 1SN	

**Trustees' Report
For the year ended 31 March 2021**

Mustafa Welfare Society Bolton ("the Charity") was established in July 2010 and was registered as a charity on 11 November 2011.

It was originally governed by a Trust Deed dated 6 March 2011, which was subsequently amended on 6 November 2011.

The day to day management of the Charity is conducted by the Executive Committee. This consists of up to 12 members elected during the annual general meeting by the members of the Charity. After their election, the Executive Committee members elect from among themselves the officers of the Charity. These now consist of the Treasurer and the Secretary. The chairperson is by rotation. The Executive Committee members for the period of this report were elected in 2014, and their names are listed on page 1. Current members of the Executive Committee took oath of office on 31 May 2014.

In addition to the elected members, there are up to three co-opted or non-voting members.

During the last year, the Executive Committee has held a meeting on six occasions. Decisions are made either unanimously or by a majority vote.

Accounts are maintained by the Treasurer. There is a detailed inspection of all the receipts and expenses by the Executive Committee. The accounts have then been examined by an independent examiner MRC Sheen of the firm Philip Burley & Co.

The Trustees who served during the year are listed on page 1.

Objects

The Objects of the Charity are:

To promote the benefit of the inhabitants of the North West of the United Kingdom (the area of benefit) and, in particular, the Shia Muslim inhabitants of Bolton, Lancashire by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort:

(1) To advance the Islamic religion for the public benefit according to the Shia Muslim doctrine (Fiqh-e-Jaffria); this is based on the teachings of the Holy Quran, The Holy Prophet (PBUH) and the teachings of the Holy Ahlulbayt, as interpreted and codified by eminent, mainstream jurists of the time (Marajah e Uzzam) from the Shia school of jurisprudence in Najaf or Qom; and to promote religious harmony.

(2) To advance the education, including the religious education, of the said inhabitants.

(3) To provide or assist in the provision of sporting facilities for the youth from the said inhabitants, in the public benefit.

(4) To provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

Trustees' Report (continued)
For the year ended 31 March 2021

The Charity acquired its current premises in October 2012, and has developed it into a Community Centre. The principal activity of the Charity in the year under review was to continue to refurbish its Community Centre and maintain and manage the same in furtherance of the above Objects.

Review of Developments, Activities and Achievements During the Year and of Future Prospects

Religious

The charity carries out a number of activities to meet the religious needs of the Bolton population. These include congregational prayers on Thursday evening and Friday lunchtime. This year (2020/21), we were unable to hold daily lectures and evening prayers during the holy month of Ramadhan. This was because the centre was closed for the national lockdown.

Prior to the Charity starting its work, no facilities for worship existed for the Shia Muslim community of Bolton Metropolitan Borough Council and the surrounding towns of Chorley, Wigan, Warrington, Chester and Blackpool and the cities of Preston and Liverpool. The Shia inhabitants of this very large catchment area had to travel all the way to Manchester for this purpose. This caused great hardship. Now people from this large area come to the community centre in Bolton. Thus, the Charity has provided an unmet need.

The acts of worship carried out at the centre give meaning to the lives of the worshippers, help to enhance their spirituality and provide them with an ethical and moral framework which offers personal comfort and also benefits the wider society. People are not charged any fee for carrying out acts of worship at the centre. These facilities for worship are open for use by Shias and by non-Shias alike.

We no longer have a full-time pastor and invite visiting pastors to lead worship.

Educational

The Charity arranges a religious educational meeting every Thursday evening. In addition to this, we also have regular visiting speakers (male and female) who deliver lectures in English and Urdu. All speakers have to conform to a code of conduct, as outlined in our constitution, clause 15, subclause 14. The congregation is of all ages. In addition to acts of worship, Islam places great emphasis on the rights of other living beings, including fellow human beings, animals and plants. The speakers emphasise that such rights need to be respected by a good Muslim. The members of the Executive Committee are present during these lectures and monitor them. We are subscribed to promoting only mainstream and moderate interpretations of Islamic faith, as defined in the Objects of our governing document. In addition to doctrinal discussions, the lecturers are encouraged to bring Islam 'to life' by highlighting their application to day to day living. For example, the application of honesty, truthfulness and integrity to daily life. This should produce better citizens, benefiting the public at large. For a significant portion of the period covered by this report, due to constraints imposed by the COVID pandemic, face to face meetings did not take place in the centre.

The Charity also runs a Sunday School (Al-Hujjat Academy) in the community centre. The school delivers religious education to children of all ages. The medium of instruction is English. The school is run like a British school, with the usual safeguards and policies in place. The school Principal and other individuals responsible for the smooth running of the school, hold responsible daytime jobs.

Like all other activities and benefits pursued by the Charity, this was also an unmet need. The Sunday School has become a great success. Currently we have more than 80 children enrolled for various classes. Pupils hail from Bolton and from neighbouring towns and cities. Most of the children are of Shia parents. However, there are some children from non-Shia backgrounds as well. We do not exclude anyone from the school on religious or any other grounds. Since the end of March 2020, the school has been running online due to the COVID restrictions.

Trustees' Report (continued)
For the year ended 31 March 2021

Review of Developments, Activities and Achievements During the Year and of Future Prospects, continued

We hope to develop a sense of purpose and spirituality in the students and provide them with a robust moral and ethical framework to live their lives while at the same time discouraging the emergence of extremism, delinquency and promoting religious harmony. This will help them to take their position as socially responsible adults who will be fully integrated in the wider community.

Sport

Our community centre building was acquired in October 2012. We are in the process of redecorating it, and will arrange physical fitness opportunities as soon as this has been completed. The Charity is very keen to provide this service. This initiative has been on hold since April 2020 due to the COVID pandemic.

Social welfare

The Charity organises social events in the centre on a regular basis. People from the congregation attend, along with people who do not attend the worship sessions. This takes the form of 'get togethers' where people chat and interact with each other. Food is provided. Every Thursday, these sessions take place after the educational sessions. There is no charge for attending or for the food. Members bring in food by rotation. These 'get together' sessions are also held on special occasions. These sessions provide an opportunity for the development of a support structure. Some individuals who attend are otherwise quite isolated, due to frailty, lack of relatives or because they are new to the area. It makes them feel supported, and may be the only time in the week when they can interact with others. During this year, opportunities for social interaction have been reduced due to the pandemic. The elderly are also a vulnerable group and they have tended to stay away from the centre. The charity has a social media presence which has mitigated this situation to some degree.

Review of Results for the Year

The results for the year are set out in detail on page 7 in the Statement of Financial Activities.

Reserves Policy

The immediate targets for the Charity are to complete the renovation of the community centre and to repay the bank loan. There continues to be focused fundraising activities to generate the funds required to meet these targets. The Trustees will seek to maintain sufficient unrestricted funds to cover any unexpected costs which cannot be met from annual funding income. Free reserves at 31 March 2021 were £95,685 (2020: £21,648), excluding tangible assets and the associated liabilities.

Public Benefit Statement

Each year, the Trustees review the Objects and activities of the Charity to ensure that they continue to reflect the Charity's aims and to provide public benefit. The Trustees consider that they have complied with their duties under section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission. Faith gives meaning to people's lives and contributes to their well-being. It offers a vision for peace and harmony and provides a moral and ethical foundation to support people in serving the community at every level.

Signed on behalf of the Trustees on xx Xxxx 2022

Dr Syed Nayyer Raza

Statement of Trustees' Responsibilities

The Charities Act 2011 and the Statement of Recommended Practice require the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity at the end of the period and of the surplus or deficit of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and the statements of recommended
- prepare the financial statements on the going concern basis unless it is inappropriate to

The responsibilities of the Trustees include keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the Charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

I report on the accounts of the Charity for the year ended 31 March 2021, which are set out on pages 7 to 14.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and 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. Independent examiner's statement

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached

26 January 2022

**MRC Sheen FCA
Philip Burley & Co
Chartered Accountants
28 Bagdale
Whitby
YO21 1SN**

Statement of Financial Activities
For the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:							
Donations and legacies	2a	73,839	1,300	75,139	7,786	-	7,786
Charitable activities	2b	66,599	-	66,599	75,458	-	75,458
Total incoming resources		140,438	1,300	141,738	83,244	-	83,244
Expenditure on:							
Charitable activities	3	50,951	11,660	62,611	70,681	3,498	74,179
Total resources expended		50,951	11,660	62,611	70,681	3,498	74,179
Net income/(expenditure) and net movement in funds for the year		89,487	(10,360)	79,127	12,563	(3,498)	9,065
Transfer between funds		2,428	(2,428)	-	65,309	(65,309)	-
Net movement in funds for the year		91,915	(12,788)	79,127	77,872	(68,807)	9,065
Reconciliation of funds							
Total funds brought forward		289,226	165,730	454,956	211,354	234,537	445,891
Total funds carried forward	7	381,141	152,942	534,083	289,226	165,730	454,956

The Statement of Financial Activities incorporates the Charity's Income and Expenditure Account for the year.

All incoming resources and resources expended derive from continuing activities.

Balance Sheet
At 31 March 2021

	Note	2021	2020
		£	£
Fixed assets	4		
Tangible assets		535,795	537,977
Current assets			
Cash at bank		96,175	22,998
		96,175	22,998
Creditors: amounts falling due within one year	5	(7,730)	(7,100)
Net current assets		88,445	15,898
Total assets less current liabilities		624,240	553,875
Creditors: amounts falling due after one year	6	(90,157)	(98,919)
		534,083	454,956
Funds	7		
Unrestricted funds		381,141	289,226
Restricted funds		152,942	165,730
		534,083	454,956

We approve the accounts, as set out on pages 7 to 14, and confirm that we have made available all relevant records and information for their preparation.

Signed on behalf of the Trustees:

Dr Syed Nayyer Raza
26 January 2022

1 Accounting Policies

For the year ended 31 March 2021

Charity information

Mustafa Welfare Society is an unincorporated charity governed by a trust deed. The registered office is 2 Thorns Road, Bolton, BL1 6NX.

1.1 Basis of accounting

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Incoming resources

All income is accounted for on a receivable basis, except where the conditions for receipt are uncertain.

1.3 Going concern

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

1.4 Fund accounting

Unrestricted funds are incoming resources receivable or generated for the Objects of the Charity, without restriction, and are available as general funds to be applied as the Charity sees fit.

Restricted funds are to be used for a specific purpose as stipulated by the donor or funding bodies.

Accounting Policies (continued)
For the year ended 31 March 2021

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at their purchase price together with any incidental costs of acquisition. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at a rate calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	25% on cost
-----------------------	-------------

Freehold property is being depreciated at 2% per annum, based on the estimated cost of the buildings within freehold property, as the land element is not a depreciating asset.

1.6 Impairment of fixed assets

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

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

1.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

Notes on the Accounts
For the year ended 31 March 2021

2 Income from:**2a Donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Donations	35,714	1,300	37,014	7,786	-	7,786
Gift Aid tax receipts	38,125	-	38,125	-	-	-
	73,839	1,300	75,139	7,786	-	7,786

2b Charitable activities

Membership subscriptions	11,174	-	11,174	13,850	-	13,850
Muharram	17,091	-	17,091	11,432	-	11,432
Khums	4,650	-	4,650	1,136	-	1,136
Fundraising	8,186	-	8,186	14,807	-	14,807
Sunday School	3,700	-	3,700	11,611	-	11,611
Rental	13,430	-	13,430	12,300	-	12,300
Sundry receipts	8,368	-	8,368	10,322	-	10,322
	66,599	-	66,599	75,458	-	75,458

3 Charitable expenditure

	Total 2021 £	Total 2020 £
<u>Unrestricted expenditure</u>		
Niaz	-	763
Sunday School	2,520	13,152
Aalim	3,535	4,710
Muharram	9,807	10,610
Fundraising events	11,649	13,720
Utilities	6,932	9,173
Insurance	2,408	1,514
Repairs and renewals	8,696	3,317
Legal & professional fees	660	978
Sundry expenses	-	172
Depreciation	-	8,935
Loan interest	2,744	3,637
Donations	2,000	-
<u>Restricted expenditure</u>		
Repairs and renewals	2,546	3,498
Depreciation	9,114	-
	62,611	74,179

Included above are governance costs of £660 (2020: £978) which include independent examination fees of £660 (2020: £978).

Notes on the Accounts (continued)
For the year ended 31 March 2021

4 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 April 2020	545,916	17,441	563,357
Additions	2,428	4,504	6,932
At 31 March 2021	548,344	21,945	570,289
<i>Depreciation</i>			
At 1 April 2020	7,939	17,441	25,380
Charge for the year	7,988	1,126	9,114
At 31 March 2021	15,927	18,567	34,494
<i>Net book value</i>			
At 31 March 2021	532,417	3,378	535,795
At 1 April 2020	537,977	-	537,977

5 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loan	7,250	5,750
Other creditors	480	1,350
	7,730	7,100

6 Creditors: amounts falling due after one year

Bank loan (falling due in less than 5 years)	29,000	23,000
Bank loan (falling due in more than 5 years)	61,157	75,919
	90,157	98,919

The bank loan is secured on the freehold property owned by the Charity.

Notes on the Accounts (continued)
For the year ended 31 March 2021

7a Movements on funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 April 2020	289,226	165,730	454,956
Net income/(expenditure) for the year	89,487	(10,360)	79,127
Transfers between funds	2,428	(2,428)	-
At 31 March 2020	381,141	152,942	534,083

7b Movements on funds (comparative funds)

	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 April 2019	211,354	234,537	445,891
Net income/(expenditure) for the year	12,563	(3,498)	9,065
Transfers between funds	65,309	(65,309)	-
At 31 March 2020	289,226	165,730	454,956

The restricted funds relate to monies which were received for renovation and maintenance of the freehold property, including any expenditure which has been capitalised.

8 Trustees

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

Notes on the Accounts (continued)
For the year ended 31 March 2020

9a Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2021 were represented by:			
Tangible assets	382,853	152,942	535,795
Net current assets	88,445	-	88,445
Creditors: amounts falling due after 1 year	(90,157)	-	(90,157)
	<u>381,141</u>	<u>152,942</u>	<u>534,083</u>

9b Analysis of net assets between funds (comparative year)

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2020 were represented by:			
Tangible assets	372,247	165,730	537,977
Net current assets	15,898	-	15,898
Creditors: amounts falling due after 1 year	(98,919)	-	(98,919)
	<u>289,226</u>	<u>165,730</u>	<u>454,956</u>

10 Related party transactions

There were no related party transactions in the year to 31 March 2021 (2020: None).