
MUSTAFA WELFARE SOCIETY BOLTON

A C C O U N T S

For the year ended 31 March 2023

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

MUSTAFA WELFARE SOCIETY BOLTON

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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	Arsul Hussain Syed Farhad Raza Naqvi Israr Hussain Shah Syed Raza Abbas
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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 2023

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.

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 eight occasions. Decisions are made either unanimously or by a majority vote.

Accounts are maintained by the Treasurer. There was a detailed inspection of all the receipts and expenses by the Executive Committee on 28 October 2023. 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 (Fiqah-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 2023

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. The centre roof is large in size and very old. No felt had been used in the construction of the roof. Lath and plaster finish had been used in the original ceiling and this has begun to deteriorate. There were multiple problems with leaks and hence the charity commenced reslating of the entire centre roof, and knocking off the lathe and plaster finish. As it is a major job, the roof works will be carried out in sections. Work started in November 2021 and is likely to be completed in 2024. First, the roof of the far end of the building (rented premises) was repaired as it was the most affected. In the year 2021-22, a total of £19,000 was spent on the roof. During the year 2022-2023 roof work was completed on the next section (back of the building), approximately 25% of the roof, at a cost of over £32,000 (reslating the roof, removal of lathe plaster, new ceiling and lights, repainting of the section). Towards the end of the year, work started on the third section (front of the building). This work was much more extensive as the section in question had not been renovated before. Work on the third section was completed in 2023-24. The public address system in a part of the building was also updated at a cost of £6,000. Fund raising continued throughout the year, to fund all the building works.

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

During the year ended 31 March 2023, the charity carried out a number of activities to meet the religious needs of the Bolton population. These included congregational prayers and lectures on Thursday evening and Friday lunchtime. Throughout the year, lectures were also held to mark other religious occasions. During the year, the COVID regulations were lifted and programme frequency returned to pre-COVID levels.

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 others, including fellow human beings, animals, plants and environment. 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. Through the course of the year, face to face meetings replaced online meetings, as the COVID restrictions were lifted.

Trustees' Report (continued)
For the year ended 31 March 2023

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

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. 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 approximately 60 children enrolled for various classes. The school resumed face to face classes, as the COVID restrictions were lifted. 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.

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.

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 gradually improved as activities returned to pre-COVID levels. The elderly are a vulnerable group and had tended to stay away from the centre but gradually returned as the restrictions were relaxed.

Review of Results for the Year

The results for the year are set out in detail on page 8 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 2023 were £152,171 (2022: £137,703), excluding tangible assets and the associated liabilities.

Trustees' Report (continued)
For the year ended 31 March 2023

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 24 January 2024

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.

**Independent Examiner's Report to the Trustees of
MUSTAFA WELFARE SOCIETY BOLTON
For the year ended 31 March 2023**

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I report to the trustees on my examination of the financial statements of Mustafa Welfare Society Bolton (the charity) for the year ended 31 March 2023.

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 2011 Act).

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

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 2011 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.

24 January 2024

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

Statement of Financial Activities
For the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
<u>Income from:</u>							
Donations and legacies	2a	9,961	26,001	35,962	27,887	10,011	37,898
Charitable activities	2b	108,625	-	108,625	92,576	-	92,576
Total incoming resources		118,586	26,001	144,587	120,463	10,011	130,474
<u>Expenditure on:</u>							
Charitable activities	3	69,151	11,696	80,847	53,171	15,823	68,994
Total resources expended		69,151	11,696	80,847	53,171	15,823	68,994
Net income/(expenditure) and net movement in funds for the year		49,435	14,305	63,740	67,292	(5,812)	61,480
Transfer between funds		51,678	(51,678)	-	17,000	(17,000)	-
Net movement in funds for the year		101,113	(37,373)	63,740	84,292	(22,812)	61,480
<u>Reconciliation of funds</u>							
Total funds brought forward		465,433	130,130	595,563	381,141	152,942	534,083
Total funds carried forward	7	566,546	92,757	659,303	465,433	130,130	595,563

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 2023

	Note	2023	2022
		£	£
Fixed assets	4		
Tangible assets		590,788	548,057
Current assets			
Cash at bank		153,155	138,663
		153,155	138,663
Creditors: amounts falling due within one year	5	(7,526)	(8,210)
Net current assets		145,629	130,453
Total assets less current liabilities		736,417	678,510
Creditors: amounts falling due after one year	6	(77,114)	(82,947)
		659,303	595,563
Funds	7		
Unrestricted funds		566,546	465,433
Restricted funds		92,757	130,130
		659,303	595,563

We approve the accounts, as set out on pages 8 to 15, 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
24 January 2024

1 Accounting Policies

For the year ended 31 March 2023

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 2023

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
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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 2023

2 Income from:

2a Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Donations	9,961	26,001	35,962	11,334	10,011	21,345
Gift Aid tax receipts	-	-	-	16,553	-	16,553
	9,961	26,001	35,962	27,887	10,011	37,898

2b Charitable activities

Membership subscriptions	13,860	-	13,860	13,314	-	13,314
Niaz	810	-	810	-	-	-
Muharram	13,070	-	13,070	8,985	-	8,985
Khums	20,670	-	20,670	24,025	-	24,025
Fundraising	22,578	-	22,578	22,006	-	22,006
Sunday School	5,590	-	5,590	1,391	-	1,391
Rental	20,050	-	20,050	9,440	-	9,440
Sundry receipts	11,997	-	11,997	13,415	-	13,415
	108,625	-	108,625	92,576	-	92,576

3 Charitable expenditure

	Total 2023 £	Total 2022 £
<u>Unrestricted expenditure</u>		
Niaz	1,268	454
Sunday School	2,166	1,950
Aalim	8,266	9,020
Muharram	9,172	5,944
Fundraising events	19,715	14,615
Utilities	10,244	6,542
Insurance	2,452	2,237
Repairs and renewals	5,875	6,590
Legal & professional fees	504	480
Finance charges	245	47
Depreciation	3,736	2,698
Loan interest	4,066	2,594
Donations	1,311	-
Sundry expenses	131	-
<u>Restricted expenditure</u>		
Repairs and renewals	2,335	7,495
Depreciation	9,361	8,328
	80,847	68,994

Included above are governance costs of £504 (2022: £480) which include independent examination fees of £504 (2022: £480).

Notes on the Accounts (continued)
For the year ended 31 March 2023

4 Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 April 2022	565,344	28,233	593,577
Additions	51,678	4,150	55,828
At 31 March 2023	617,022	32,383	649,405
<i>Depreciation</i>			
At 1 April 2022	24,255	21,265	45,520
Charge for the year	9,361	3,736	13,097
At 31 March 2023	33,616	25,001	58,617
<i>Net book value</i>			
At 31 March 2023	583,406	7,382	590,788
At 1 April 2022	541,089	6,968	548,057

	2023 £	2022 £
5 Creditors: amounts falling due within one year		
Bank loan	6,542	7,250
Other creditors	984	960
	7,526	8,210
6 Creditors: amounts falling due after one year		
Bank loan (falling due in less than 5 years)	26,166	29,000
Bank loan (falling due in more than 5 years)	50,948	53,947
	77,114	82,947

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

Notes on the Accounts (continued)
For the year ended 31 March 2023

7a Movements on funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 April 2022	465,433	130,130	595,563
Net income/(expenditure) for the year	49,435	14,305	63,740
Transfers between funds	51,678	(51,678)	-
At 31 March 2023	566,546	92,757	659,303

7b Movements on funds (comparative funds)

	Unrestricted Funds £	Restricted Funds £	Total Funds £
At 1 April 2021	381,141	152,942	534,083
Net income/(expenditure) for the year	67,292	(5,812)	61,480
Transfers between funds	17,000	(17,000)	-
At 31 March 2022	465,433	130,130	595,563

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 2023 were represented by:			
Tangible assets	498,031	92,757	590,788
Net current assets	145,629	-	145,629
Creditors: amounts falling due after 1 year	(77,114)	-	(77,114)
	566,546	92,757	659,303

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

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2022 were represented by:			
Tangible assets	417,927	130,130	548,057
Net current assets	130,453	-	130,453
Creditors: amounts falling due after 1 year	(82,947)	-	(82,947)
	465,433	130,130	595,563

10 Related party transactions

There were no related party transactions in the year to 31 March 2023 (2022: none).