

REGISTERED CHARITY NUMBER: 1173764



WORCESTER MUSLIM WELFARE ASSOCIATION

Report of the Trustees and Financial Statements
For the Year Ended
31 March 2021

WORCESTER MUSLIM WELFARE ASSOCIATION

**INDEX TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021**

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WORCESTER MUSLIM WELFARE ASSOCIATION

REFERENCES AND ADMINISTRATIVE DETAILS for the year ended 31 March 2021

| | |
|-------------------------------------|---|
| Registered Charity Number: | 1173764 |
| Registered Principal Office: | Central Mosque Tallow Hill Worcester Worcestershire WR5 1JU |
| Trustees: | Haris Saleem (Chairman) Inter Audit Mohammed Akbar (Vice Chair) Internal Audit Mohammed Iqbal (General Secretary/Treasurer) Ali Asghar Muhammed Amin - Education Nazaqat Hussain - Head cashier Abdul Rauf - Maintenance |
| Management Committee: | Sarfraz Baig - Religious event organiser/catering Basharat - Covering Imam Afzaal Iqbal- Education administrator Hamaad Akmal - Unity House manager Sajid Hussain - Maintenance Ghulam Abbas - Assistant Cashier. Ghulam Shabbir - Education Zakwan Shaukat – Social media Rizwan Sadique |
| Auditors: | David Wells Chartered Accountant and Statutory Auditor 33 Purnells Way Knowle Solihull West Midlands B93 9JN |
| Solicitors: | Ahmad Thomson Wynne Chambers 5 Kimberly Road London NW6 7SG Hallmark Hulme 3-5 Sansome Place Worcester WR1 1UQ |
| Bankers: | Santander Customer Service Centre Bootle Merseyside L30 4GB |

WORCESTER MUSLIM WELFARE ASSOCIATION

REPORT OF THE TRUSTEES for the year ended 31 March 2021

The trustees present their report with the financial statements of Worcester Muslim Welfare Association (WMWA) for the year ended to 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) as issued in October 2019.

AIMS AND OBJECTIVES

WMWA aims to advocate the faith of Islam to the public of Worcestershire.

An efficient way of delivering a positive message to the public will be through public lectures, celebrations, festivities, and the use of social media.

As a responsible charity for the social welfare of our community, we also encourage external bodies such as the council, NHS, and organizations within the education sector to deliver key, important, and relevant ideas to our community.

Our objectives as a charity are to reflect our faith and presence positively to the general community, Muslim or non-Muslim, and no faith.

Our responsibilities to our community are to provide quality education and awareness to all age groups.

WMWA would like to make all facilities accessible to Muslims and non-Muslims.

We encourage the participation of non-Muslims during open days, as well as encouraging school visits to achieve a better understanding of Islam.

Moreover, we encourage community welfare programs and ecological sustainability. We expect to do this via inductions from public sector organizations, and other businesses.

As a responsible global-thinking charity, we encourage collections of donations for any emergency disaster reliefs throughout the world; as it is important to help people globally, despite political and racial differences.

PUBLIC BENEFIT

Due regard has been given to the guidance published by the Charity Commission on public benefit.

STRUCTURE, GOVERNANCE, AND MANAGEMENT

WMWA is constituted as a Charitable Incorporated Organisation (CIO) registered with the Charity Commission. The CIO was formed on 11 July 2017 and is governed by its constitution. The board of trustees is made up of 7 members.

Trustees are appointed at the Trustees Meeting throughout the year.

WORCESTER MUSLIM WELFARE ASSOCIATION

REPORT OF THE TRUSTEES

for the year ended 31 March 2021 (continued)

RISK MANAGEMENT

Trustees need to be aware of all risks facing charities. To overcome any potential risks, here at WMWA, we are always devising ways of improving risk management through better education and improving and adopting new processes.

All necessary Insurances are in place; DBS checks are done for all trustees and employees.

Regular risk management appraisals are done for fire, data management, cash handling, banking, filing systems.

To better improve our systems and processes, WMWA are always looking to work with professional organizations, to keep ahead of any regulations relating to our organization.

OUR STRATEGY AND GOALS

The charity has now been operating for over 3 years under the new CIO structure; this new structure has opened many avenues for growth opportunities whilst also improving management systems and transparency.

In our previous report, we outlined our short-term goals rather than making long term plans as discussed in our 2020 accounts when we were in the peak of COVID pandemic. In this current financial statements, we have kept our goals for the next 12 months.

Short-term plans/goals for the next 12 months:

- ❖ Start more detailed technical, architectural, structural, electrical, mechanical and landscape drawings all to be completed by September 2021.
- ❖ The new mosque project will be built in phases, the first phase being groundworks and then Steel structure. This will start towards the end of October 2021 or once our conditions have been fully discharged by the planning department.
- ❖ Contractor for groundworks will be selected in September 2021 through our rigorous tendering procedure.
- ❖ Education department to be separated towards the end of 2021 under new name and management. WMWA will sit on the board. This new set up will give new management more autonomy over how the education system is run; we will also create a parent governor board that will be able to make decisions. We hope to create a self-sustainable model in the future. WMWA in the short term will top up any shortfalls in income vs expenditure.
- ❖ Looking to expand both management and trustee board.
- ❖ Sign up for training courses for new executive trustees
- ❖ Increase activities for the community targeting all age groups.
- ❖ Increase local involvement and engagement by creating voluntary champion posts.

WORCESTER MUSLIM WELFARE ASSOCIATION

REPORT OF THE TRUSTEES

for the year ended 31 March 2021 (continued)

- ❖ To further expand our social media presence. We currently have FB followers of over 36K, we have engaged twitter and are recently experimenting with Instagram and YouTube. We will further invest in organically growing our presence becoming a leading figure in Worcester as a Muslim organization.
- ❖ Further develop and invest in online platforms regarding taking donations, offering more choice to donors on how they wish to donate. More choice will increase donations and income to help with good causes in the community.

To become leading faith based organisation, WMWA will invest in the recruitment of quality candidates to take the organization forward whilst also increasing income revenue to run these projects.

Revenue will be key driver for all projects, and this will be only achieved with motivated and driven candidates, trustees, and volunteers.

VOLUNTEERS

Our volunteers play a vital role in our work to deliver our objectives. We have several helpers throughout the year or as and when needed.

ACHIEVEMENT AND PERFORMANCE

Throughout the years, the community has benefited from the mosque through:

Prayers - The mosque has regular people of attendance of the five daily prayers. During the Friday prayers, we can have 400+ worshippers.

Special festivities - The mosque has monthly gatherings where generous amounts of food are provided for 100+ people as well as bigger festivities during key events in the Islamic Calendar.

Funeral facilities - The mosque provides a complete service to the family of the deceased; by accommodating their needs and relieving the stress off their shoulders.

We have our own refrigeration for the body and can organize all funeral-related issues under the Islamic system.

Marriage - We hold Nikah service for those Muslims who wish to get married.

Education - We teach approximately 140 children during the week and have a class for teenagers on weekends.

WORCESTER MUSLIM WELFARE ASSOCIATION

REPORT OF THE TRUSTEES

for the year ended 31 March 2021 (continued)

Community Centre – We currently run a host of programs for the local community using our centre in Stanley Road. Some of the activities we run are regular lady's coffee mornings with the educational theme, sewing classes, exercise, youth activities, private functions, etc.

Charitable projects – This financial year we have worked with our local foodbank and homeless charities, we had a successful Ramadan foodbank collection whilst also helping the local salvation army with homeless projects.

Islamic awareness - We run Islamic lecture programs throughout the year for Muslims and non-Muslims.

Inter-faith programs - We have inter-faith programs when these are requested to facilitate positive messages being given out.

Partnership programs - We have regular visits from our external partners to advise on issues relevant to the members of our community.

INVESTMENTS

All our assets have now been transferred to the new charity from the old sister charity.

GRANTS

Towards the end of the financial year, we received grants from the divisional funding to help with our projects. Due to COVID, the monies will be spent in this new financial year. We also received grants from the West Mercia Police with the sum of £5K and Covid Support from the Worcester City Council which helped our charity to support the community and keep vital services operational during COVID.

FINANCIAL REVIEW

The Trustees report a surplus for the year of £205,763 (2020 - £355,578), being credited to unrestricted funds, as detailed on page 11.

RESERVE FUNDS

The Trustees have a reserves policy for the CIO of holding enough funds to meet three to four months' operating costs.

Restricted Funds

Our current restricted funds are for the new Mosque of Light project, which we will start construction from 2021. We have been running an appeal for the last 12 months and will continue until construction is complete.

Unrestricted funds

Our unrestricted funds are used as they fit within our CIO for day to day running of our obligations to our community members. These comprise of education fees, Friday collections, memberships, and general donations from the community throughout the year without any appeals.

WORCESTER MUSLIM WELFARE ASSOCIATION

REPORT OF THE TRUSTEES

for the year ended 31 March 2021 (continued)

TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources of the CIO for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2015 (FRS 102).
- make judgments and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are satisfied that they have complied with the above responsibilities.

STATEMENT OF DISCLOSURE OF STATUTORY INFORMATION TO AUDITORS

We, the Trustees of the CIO who held office at the date of approval of these financial statements each confirms, so far as we are aware, that:

there is no relevant audit information of which the CIO's auditors are unaware; and

we have taken all the steps that we ought to have taken as trustees to make ourselves aware of any relevant audit information and to establish that the CIO's auditors are aware of that information.

AUDITORS

Due to retirement David Wells is resigning as auditor at the annual general meeting. New auditors will be appointed in due course.

Approved by the Board of Trustees on 3rd of November 2021
and signed on its behalf by:


M IQBAL
SECRETARY

WORCESTER MUSLIM WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORCESTER MUSLIM WELFARE ASSOCIATION for the year ended 31 March 2021

Opinion

We have audited the financial statements of Worcester Muslim Welfare Association (the CIO) for the year ended 31 March 2021 which are set out on pages 11 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the CIO's affairs as of 31 March 2021 and of its income and expenditure, for the year then ended.
- have been properly prepared under the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board of trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

WORCESTER MUSLIM WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORCESTER MUSLIM WELFARE ASSOCIATION for the year ended 31 March 2021 (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the report of the trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities

We have been appointed as auditors under Section 145 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

WORCESTER MUSLIM WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WORCESTER MUSLIM WELFARE ASSOCIATION for the year ended 31 March 2021 (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

- review minutes of meetings of the trustees/those charged with governance
- review the operation of the CIO's controls in relation to the preparation and presentation of management information
- check that the financial statements agree with the accounting records
- ensure, so far as is reasonably possible, the completeness of the CIO's income
- review financial disclosures and test to supporting documentation
- obtain third party confirmations of material balances

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Trustees of Worcester Muslim Welfare Association, as a body, in accordance with regulations made under Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the CIO's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the CIO and its members as a body, for our audit work, for this report, or for the opinions we have formed.



DAVID WELLS
Chartered Accountant and
Statutory Auditor
33 Purnells Way
Knowle
Solihull
West Midlands
B93 9JN

3rd November 2021

David Wells is eligible to act as an auditor in terms of Section 1212 Companies Act 2006.

WORCESTER MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account) for the year ended 31 March 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|--|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations | | 80,174 | 129,502 | 209,676 | 457,748 |
| Charitable activities | | 21,804 | - | 21,804 | 70,431 |
| Rent received | | 14,530 | - | 14,530 | 18,700 |
| Covid Non-Domestic Rates Refunds | | 60,931 | - | 60,931 | - |
| Coronavirus Job Retention Scheme | | 39,771 | - | 39,771 | - |
| Other grants and income | | 7,500 | - | 7,500 | 1,984 |
| Total income | 2 | 224,710 | 129,502 | 354,212 | 548,863 |
| Expenditure on: | | | | | |
| Charitable activities | | 142,517 | - | 142,517 | 182,772 |
| Governance costs | | 5,932 | - | 5,932 | 10,513 |
| Total resources expended | 3 | 148,449 | - | 148,449 | 193,285 |
| Net incoming resources Before transfers | | 76,261 | 129,502 | 205,763 | 355,578 |
| Gross transfers between funds | | - | - | - | - |
| Net incoming resources | | 76,261 | 129,502 | 205,763 | 355,578 |
| Reconciliation of funds | 10 | | | | |
| Total funds brought forward | | 2,354,940 | 393,207 | 2,748,147 | 2,392,569 |
| Funds introduced | | - | - | - | - |
| Total funds carried forward | 10 | 2,431,201 | 522,709 | 2,953,910 | 2,748,147 |

All disclosures relate only to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The notes on pages 13 to 19 form part of these financial statements.

WORCESTER MUSLIM WELFARE ASSOCIATION

STATEMENT OF FINANCIAL POSITION
As of 31 March 2021

| | Note | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|------|----------------|-------------------------|----------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 6 | | 2,270,208 | | 2,262,338 |
| Current Assets | | | | | |
| Debtors | 7 | 4,724 | | 3,014 | |
| Cash at bank and in hand | | 709,557 | | 512,101 | |
| | | <u>714,281</u> | | <u>515,115</u> | |
| Current Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 8 | (16,566) | | (12,490) | |
| Net Current assets | | | <u>697,715</u> | | <u>502,625</u> |
| Total Assets less Current Liabilities | | | <u>2,967,923</u> | | <u>2,764,963</u> |
| Creditors: Amounts falling due after more than one year | 9 | | (14,013) | | (16,816) |
| Net Assets | | | <u><u>2,953,910</u></u> | | <u><u>2,748,147</u></u> |
| Funds | | | | | |
| Unrestricted funds | | | 2,431,201 | | 2,354,940 |
| Restricted funds | | | 522,709 | | 393,207 |
| Total Funds | 10 | | <u><u>2,953,910</u></u> | | <u><u>2,748,147</u></u> |

The financial statements were approved by the Board of Trustees on 3rd November 2021 and were signed on its behalf by:

H SALEEM
CHAIRMAN



The notes on pages 13 to 19 form part of these financial statements.

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021

1. PRINCIPAL ACCOUNTING POLICIES

GENERAL INFORMATION

Worcester Muslim Welfare Association is a Charitable Incorporated Organisation (CIO) incorporated in England and is registered with The Charity Commission under the Charities Act 2011 and it constitutes a Public Benefit Entity as defined by FRS102. The address of the registered office is given in the reference and administrative details on page 2.

BASIS OF ACCOUNTING

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The charity does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared in sterling.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

GOING CONCERN

At the time of approving the accounts, the trustees have reasonable expectation that the CIO 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.

INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the CIO is legally entitled to the income and the amount can be quantified with reasonable accuracy.

RESOURCES EXPENDED

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

TAXATION

The CIO is exempt from corporation tax on its charitable activities. It is not registered for VAT and so irrecoverable VAT is included under the related expenditure headings.

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021 (continued)

ACCOUNTING POLICIES (continued)

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset operational.

Depreciation of tangible fixed assets is provided at the following basis, commencing with the year of acquisition at rates estimated to write off their cost or valuation, less any residual value over the estimated useful lives which are as follows:

| | | |
|-----------------------|---|-----------------|
| Land | - | Not depreciated |
| Freehold property | - | Over 100 years |
| Computer equipment | - | Over 5 years |
| Office equipment | - | Over 10 years |
| Fixtures and fittings | - | Over 10 years |

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the CIO. Restrictions arise when specified by the donor or when funds raised for restricted purposes.

GOVERNMENT GRANTS

Government grants include grants received from the Home Office, local authorities, and other government organisations. Government grants received for capital items are recognised in income over the useful life of the assets (excluding land) under the accruals model. Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the CIO will comply with the conditions and that the funds will be received.

DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities in other administrative expenses.

LEASES

Rentals payable and receivable under operating leases are charged to the statement of financial activities on a straight-line basis over the period of the lease.

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (continued)

2. INCOME

| | 2021 £ | 2020 £ |
|----------------------------------|----------------|----------------|
| Donations | | |
| Member's donations | 2,377 | 1,566 |
| Friday collections | 20,572 | 40,454 |
| General donations | 41,070 | 17,361 |
| New Mosque project | 129,502 | 393,207 |
| Gift Aid | 16,155 | 5,160 |
| | <u>209,676</u> | <u>457,748</u> |
| Charitable activities | | |
| Education fees | 17,121 | 60,707 |
| Charitable events | 1,880 | 6,921 |
| Amortisation of grant | 2,803 | 2,803 |
| | <u>21,804</u> | <u>70,431</u> |
| Other income | | |
| Rent received | 14,530 | 18,700 |
| Covid Non Domestic Rates Refunds | 60,931 | - |
| Coronavirus Job Retention Scheme | 39,771 | - |
| Other grants and income received | 7,500 | 1,984 |
| | <u>122,732</u> | <u>20,684</u> |
| Total income | <u>354,212</u> | <u>548,863</u> |
| Analysis by funds: | £ | £ |
| Unrestricted funds | 224,710 | 155,656 |
| Restricted funds | 129,502 | 393,207 |
| | <u>354,212</u> | <u>548,863</u> |

A government grant of £26,095 was received from the Home Office on 19 January 2018. An amount of £2,803 has been amortised in the year, with a balance of £16,816 being treated as deferred income (see notes 8 and 9).

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021 (continued)

| 3. EXPENDITURE | 2021 £ | 2020 £ |
|---------------------------------|-----------------------|-----------------------|
| Charitable activities | | |
| Wages | 79,767 | 78,661 |
| Education costs | 8,066 | 22,175 |
| Property running costs | - | 3,187 |
| Light and heat | 11,554 | 17,977 |
| Office and general expenditures | 4,002 | 2,561 |
| Telephone | 1,111 | 1,290 |
| Janitorial | 1,338 | 1,622 |
| Meals and refreshments | 1,845 | 6,449 |
| Repairs | 7,756 | 12,594 |
| Depreciation | 18,744 | 21,933 |
| Advertising | 110 | 3,615 |
| Printing and stationery | 150 | - |
| Insurance | 4,032 | 4,517 |
| Other charity running costs | 4,042 | 6,191 |
| | <u>142,517</u> | <u>182,772</u> |
| Governance | | |
| Auditors' remuneration | 3,000 | 3,000 |
| Accountancy | 2,092 | 2,828 |
| Legal and professional fees | 840 | 4,685 |
| | <u>5,932</u> | <u>10,513</u> |
| Total expenditure | <u><u>148,449</u></u> | <u><u>193,285</u></u> |
| 4. STAFF COSTS | 2021 £ | 2020 £ |
| Wages and salaries | 78,708 | 78,249 |
| Social Security Costs | - | - |
| Pensions defined contributions | 1,059 | 412 |
| | <u>79,767</u> | <u>78,661</u> |

The average number of employees during the year was 10 (2020 - 10).

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021 (continued)

5. TRUSTEES' REMUNERATION, EXPENSES AND BENEFITS

No trustee received remuneration, expenses, or other benefits in their capacity as a trustee for the year ended 31st March 2021 (2020 – Nil).

6. TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings £ | Fixtures, fittings and equipment £ | Total £ |
|---------------------------------|--|---|------------------|
| Cost or value introduced | | | |
| At 1 April 2020 | 2,264,467 | 36,018 | 2,300,485 |
| Additions | 23,791 | 2,823 | 26,614 |
| Disposals | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 2,288,258 | 38,841 | 2,327,099 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 1 April 2020 | 29,606 | 8,541 | 38,147 |
| Charge for the year | 14,800 | 3,944 | 18,744 |
| Disposals | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2021 | 44,406 | 12,485 | 56,891 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Value | | | |
| At 31 March 2021 | 2,243,852 | 26,356 | 2,270,208 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2020 | 2,234,861 | 27,477 | 2,262,338 |
| | <hr/> | <hr/> | <hr/> |

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (continued)

| | | |
|---|-----------------|-----------------|
| 7. DEBTORS | 2021 | 2020 |
| | £ | £ |
| Amounts recoverable within one year | | |
| Prepayments and accrued income | 4,724 | 3,014 |
| | <hr/> | <hr/> |
| 8. CREDITORS: Amounts falling due within one year | 2021 | 2020 |
| | £ | £ |
| Accruals | 11,811 | 8,877 |
| Other taxes and social security | 1,952 | 810 |
| Government grants – deferred income | 2,803 | 2,803 |
| | <hr/> | <hr/> |
| | 16,566 | 12,490 |
| | <hr/> | <hr/> |
| 9. CREDITORS: Amounts falling due after more than one year | 2021 | 2020 |
| | £ | £ |
| Loans | - | - |
| Government grants – deferred income | 14,013 | 16,816 |
| | <hr/> | <hr/> |
| | 14,013 | 16,816 |
| | <hr/> | <hr/> |

WORCESTER MUSLIM WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2021 (continued)

10. MOVEMENTS IN FUNDS

| | At 1 April 2020 £ | Income £ | Expenditure £ | At 31 March 2021 £ |
|---|-------------------------|----------------|------------------|--------------------------|
| Unrestricted funds | | | | |
| Net incoming resources | 74,638 | 224,710 | (148,449) | 150,899 |
| Funds introduced from a previous sister charity | 2,280,302 | - | - | 2,280,302 |
| | <u>2,354,940</u> | <u>224,710</u> | <u>(148,449)</u> | <u>2,431,201</u> |
| Restricted funds | | | | |
| New Mosque project | 393,207 | 129,502 | - | 522,709 |
| | <u>393,207</u> | <u>129,502</u> | <u>-</u> | <u>522,709</u> |
| Total Funds | <u>2,748,147</u> | <u>354,212</u> | <u>(148,449)</u> | <u>2,953,910</u> |

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | 2020 Total £ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Tangible fixed assets | 2,270,208 | - | 2,270,208 | 2,262,338 |
| Cash | 186,848 | 522,709 | 709,557 | 512,101 |
| Other current assets/(liabilities) | (11,842) | - | (11,842) | (9,476) |
| Creditors due after more than one year | (14,013) | - | (14,013) | (16,816) |
| | <u>2,431,201</u> | <u>522,709</u> | <u>2,953,910</u> | <u>2,748,147</u> |

12. RELATED PARTY TRANSACTIONS

During the year £2,158 (2020: £1,180) was paid to Mohammad Iqbal, a trustee, as remuneration in his capacity as the administrative secretary of the CIO. The legal authority is included in the constitution.

13. SUBSIDIARY COMPANY

A new subsidiary company, WMWA D&B Management Limited, was incorporated as a trading limited co. 13083521 on 15 December 2000; its purpose is to act as the design and build contractor for the new mosque. The subsidiary did not trade in the period to 31 March 2021, and consequently no group accounts have been prepared.