

REGISTERED COMPANY NUMBER: 3810948 (England and Wales)

REGISTERED CHARITY NUMBER: 1080666

Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 March 2019  
for

Mushkil Aasaan Limited

(A Company Limited by Guarantee)

CHARITY COMMISSION  
FIRST CONTACT

06 JAN 2020

ACCOUNTS  
RECEIVED

Mushkil Aasaan Limited  
(A company limited by guarantee)

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for the Year Ended 31 March 2019

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Mushkil Aasaan Limited  
(A company limited by guarantee)

Reference and Administrative Details  
for the Year Ended 31 March 2019

**TRUSTEES**

Mrs. Shaheen Farhat  
Mrs. Khalida Mehal  
Mrs. Habib Lateef Appointed  
3.12.2019

**COMPANY SECRETARY**

Mrs. Naseem Aboobaker

**REGISTERED OFFICE**

220-222 Upper Tooting Road  
London  
SW17 7EW

**REGISTERED COMPANY  
NUMBER**

3810948 (England and Wales)

**REGISTERED CHARITY  
NUMBER**

1080666

**INDEPENDENT AUDITOR**

Nasir Mahmud FCA  
Chartered Accountant  
Falcon House  
257 Burlington Road  
New Malden  
Surrey  
KT3 4NE

Mushkil Aasaan Limited

(A company limited by guarantee)

Strategic Report

for the Year Ended 31 March 2019

The trustees present their strategic report for the year ended 31 March 2019.

**REVIEW OF BUSINESS**

The principle activity of Mushkil Aasaan Limited is to provide care and support for individuals and families and their carer's education and training to those providing care.

As a Specialist Provider for Domiciliary Care regulated by the Care Quality Commission, Mushkil Aasaan continues to offer packages of Care that transcend detailed knowledge of the Community's faiths, values, customs, languages and dietary needs beyond that of their basic needs. We have continued to provide an exemplary service, fully complying to the recent new Fundamental Standards as revised by the Care Quality Commission.

We continue to provide End of Life Care Services under the successfully renewed Pan London NHS for Qualified Provider status. In line with our intrinsic ethos of caring in a culturally appropriate and faith-sensitive manner with professional training and processes and procedures, this Service provides assurance to patients and families at a sensitive time. With this Provider Status there is scope to venture into surrounding boroughs to provide these much-needed services.

Despite the ambiguity in our tentative funding for the Service Level Agreement, our popular Counselling and Advocacy services remain over-subscribed from across the statutory and voluntary sector, along with self-referrals and amongst co-professionals. We manage to cushion the demand on these services with our dedicated Volunteering Services.

Mushkil Aasaan is a provider site for the IAPT (Improving Access Psychological Therapies) through the Mental Health Trust which endorses the need for culturally sensitive mental health services for the Communities we serve. We continue to play a major role in co-producing innovative models of therapies and Health and Wellbeing programmes with Wandsworth Community Empowerment Network.

As the work for the Zakia Centre unfolds, we are aiming to create a specialist inter-generational culturally appropriate Centre that offers opportunities for children and parents based on the extended family model of support, alongside the services for the elderly. This would be in partnership with parents, extended family networks, associated professionals, and community partnerships.

One of the Zakia Centre's principal aims remains to develop culturally appropriate family assessments and therapeutic activities that incorporates empowering and supporting families in need. The Centre would be promoted within an affordable integrated economic entrepreneurial culture, ultimately aiming towards independent financial sustainability with a positive impact upon the local economy through employment opportunities.

## Mushkil Aasaan Limited

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### Strategic Report

for the Year Ended 31 March 2019

We are further looking to develop pre-school and after-school activities through Ofsted registration processes, when our financial resources permit such expansion. We now have an independent provider delivering Nursery provision at the Zakia Family Centre. This also addresses the objective of providing a service to A Child in Need within the statutory definitions while delivering unmet childcare needs for mothers who want to maximise upon the opportunities within the employment market to raising the economic base of the family. We have kept two places in reserve for children whose family are facing a personal crisis in which they have a need for short-term nursery provision, as part of our Charitable purposes.

This year saw the realisation of a breakthrough with funding through the Asian Resource Centre Croydon to provide a parallel term time drop-in service of Counselling and Advocacy sessions for victims of Domestic Violence. An Employability and Training Project run by Faith Regen also took place as a pilot project to facilitate people into jobs. The popular Cultural and Heritage women's self-support group, continues to meet fortnightly in providing opportunities for social networking and well-being sessions, including the sharing of stories and skills.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The reduced annual grant of £45,468 from the Wandsworth Council caters for the over-subscribed Service Level Agreement. Spot-Purchase of our Specialist Domiciliary Services is the Charity's main source of income. The unit cost has remained considerably reduced in order to remain competitive in the market position. Adherence to the requirements of the Care Act and rising National Minimum Wages, Travel Costs, and Electronic Call Monitoring costs have resulted in a reduction in earned income to break-even point and raises credible concerns for costings of all subsidised services and future development visions.

As with all entities, no future is assured and an element of risk looms over the future of the Charity. The economic climate and changing patterns of delivery has its own impact on Social Services commissioning. In comparison to last year there has been a sustained level of income generated through the spot-purchasing of Domiciliary Care.

IIP observes that 'Mushkil Aasaan is to be congratulated in maintaining the sustainability of the organisation over very challenging times. All of which have been enabled by excellent leadership, management and staff development'.

We faced the challenge this year of having lost the Wandsworth Spot-purchase Tender in the provision of Domiciliary Care Services to minor technical shortfalls, much to our profound disappointment. We were devastated at the thought of losing the livelihood of a 100 people and sustenance of a vibrant Centre that serves as a busy Community Hub with all its diverse activities. However, many of our Service Users chose to

Mushkil Aasaan Limited

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Strategic Report

for the Year Ended 31 March 2019

remain with us through the Direct Payment system, rather than be transferred by the Council to new providers. Within the last couple of days Wandsworth Council have contacted us to inform us that there is a further opportunity to tender for a Specialist Reablement service. We are further considering that possibility.

The Trustees are conscious of the reliance on the grant and tentative spot-purchased Domiciliary Care income and the importance to reduce dependency through other initiatives to increase revenue and control costs.

**FUTURE PROSPECTS**

The Charity's future direction and existing sustainability is influenced by its current funding and spot-purchase commissioning. Current strategic planning explores a range of approaches encompassing better outcomes for our Service Users and Carers as set out in our vision and values.

- To develop an Intergenerational Supported Housing Scheme Project at our new site, 5 North Drive. The very initial process for this venture has commenced with the engagement of an architectural company for a feasibility study and an initial Pre-App meeting with the Local Authority

- To develop an End of Life Care Service in Croydon with our NHS AQP Provider status whilst promoting Carework as a viable profession and providing appropriate training.

- To build upon being an IAPT site to becoming a provider for culturally sensitive Psychological Services and programmes of Health and Wellbeing in Co-production with Wandsworth Community Empower Network.

This report was approved by the Board on 23 December 2019 and signed on its behalf by

*S. Farhat*

Mrs. Shaheen Farhat - Trustee

**Mushkil Aasaan Limited**  
**(A company limited by guarantee)**

**Report of the Trustees**  
**for the Year Ended 31 March 2019**

The trustees who are also directors of Mushkil Aasaan Limited for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 (ERS 102) (effective 1 January 2015).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Mushkil Aasaan is a Registered Charity (No 1080666) and a Company Limited by Guarantee (No 3810948). Its objectives are expressed in the Memorandum of Association. Its Trustees are supported by a Board of Management and two Patrons. The Trustees have had regard to the Charity Commission's guidance on public benefit.

The Trustees, who are also Directors for the purposes of Company Law and who served during the year and up to the date of this report are set out on page 1.

All Trustees and Directors collectively monitor and ensure delivery of its charitable objectives and strategic direction, while upholding the Charity's values. They have responsibility for ensuring good practice, effective governance and management, accurate and transparent financial management and reporting.

Furthermore, they ensure that the Charity complies with relevant laws and requirements of regulatory bodies, such as Care Quality Commission and NHS. They desire that Mushkil Aasaan remains successful and can continue to serve its diverse community as intended.

The priority of our organisation remains, to seek to recruit and appoint new board members/ trustees while expanding the skill bank of our organisation through formal training relevant to the Charity needs with clear procedures on roles and responsibilities as trustees.

Key Objectives of the Charity are:

- To provide care, support, education and training for individuals and families and their carers
- To provide support to people affected by poverty, sickness, family breakdown and social exclusion;
- To develop the capacity and skills of members of socially and/or economically disadvantaged communities to help identify and meet their needs and enable them to participate more fully in society;
- To support people in accessing legal advice and other professional advice and support.
- To provide a service responsive to assessed needs, with equal access to all, regardless of sex, race, income, social class or other socio-demographic factors.

**Mushkil Aasaan Limited**  
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**Report of the Trustees**  
**for the Year Ended 31 March 2019**

Mushkil Aasaan is committed to upholding the rights and dignity of the individual and the family. This is within a holistic model of support, through a range of opportunities, choices and effective solutions.

Embracing diversity and capitalizing on the strengths of the Communities we serve, our uniqueness lies within the ethos of our Service while addressing inequalities through community representation, development and advocacy.

**Risk Assessment**

Spot-Purchase of our Specialist Domiciliary Services is the Charity's main source of income. The reduced annual grant of £45,468 from the Wandsworth Council caters for the over-subscribed Service Level Agreement.

The unit cost has remained considerably reduced in order to remain competitive in the market position. Adherence to the requirements of the Care Act and rising National Minimum Wages, Travel Costs, and Electronic Call Monitoring costs have resulted in a reduction in earned income to break-even point and raises credible concerns for costings of all subsidised services and future development visions.

The Trustees are conscious of the reliance on the grant and tentative spot-purchased Domiciliary Care income and the importance to reduce dependency through other initiatives to increase revenue and control costs.

**Reserves Policy**

In view of the risks identified, the Trustees consider it prudent to hold unrestricted free reserves to cover approximately 6 months running costs. For the year ended, this amounted to approximately £500,000.

Any additional unrestricted free reserves have been designated for an identified Supported Housing Project and to enhance the existing services provided as and when deemed necessary.

**Objectives and activities and Achievements and performance**

This year, like that of others, has presented its own complexities and challenges, as an organisation we continue to be creatively challenged within our limited resources and climate of huge local government cuts in health and social care. Staff retention poses issues in a climate of in-work welfare rights dependencies in increasing housing costs, basic sustenance and expensive childcare.

In our latest CQC Inspection our services were assessed for being safer effective, caring and responsive and rated as GOOD.



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**Report of the Trustees**  
**for the Year Ended 31 March 2019**

It was observed that 'people and their relatives told us that Careworkers were caring and supported them in an appropriate manner. They told us they were offered choices and Careworkers asked for their consent before supporting them. They also said that their privacy and dignity was respected and that they felt safe'

This unique and holistic model of support offers management of crises and emotional distress through multiple therapeutic counselling techniques, personal empowerment and focus. Added value to this is appropriate practical assistance and advocacy in accessing welfare rights, housing, social care and community networks, career development, good health and well-being.

We remain committed to supporting our communities in a way to enhance their overall wellbeing, through lifestyle choices and our shared activities, not least serving women and children who have no recourse to public funding or are experiencing Domestic Violence.

Volunteering remains a key feature and high-profile activity within our organisation and part of our social capital resource, which is promoted and managed by our assigned Volunteering Coordinator. It is also part of our Care in the Community by the Community while, forming part of our shared experiences that enhances our intrinsic ethos of caring. Having robust volunteering recruitment policies and practices with DBS checks has helped to establish formal Volunteering in the Community.

A range of Support Groups instigated by the imperative needs of the diverse Communities, give the Centre a real sense of vibrancy and value throughout the week, for a whole range of activities including family and community celebrations, discussions and debate across a range of organisations and topics.

Our Elderly Women's Mehfil Group continues and is a popular activity at our Centre. Apart from a weekly lunch together which incorporates well-women seminars and fitness activities, it further helps to promote their overall well-being when they voice their concerns and a voice on social issues.

A group of elderly men who used to meet on the street corner to reminisce despite adverse weather conditions, continue to meet in the Centre and have expressed their appreciation of their more pleasant and enhancing surroundings.

A group of young professional women and working mothers continue to meet at the Centre on Monday evenings, with a focus on self-support. It remains an important forum for helping them gain greater confidence and understanding of positive parenting through their shared experiences of their growing children's needs.

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**Report of the Trustees**  
**for the Year Ended 31 March 2019**

A group of elderly men who used to meet on the street corner to reminisce despite adverse weather conditions, continue to meet in the Centre and have expressed their appreciation of their more pleasant and enhancing surroundings.

A group of young professional women and working mothers continue to meet at the Centre on Monday evenings, with a focus on self-support. It remains an important forum for helping them gain greater confidence and understanding of positive parenting through their shared experiences of their growing children's needs.

Mushkil Aasaan plays an active role in sharing the vision of the Wandsworth Community Empowerment Network which aims to co-produce responsive statutory services and capacity build faith-based and community organisations. During the year many meetings and workshops were hosted at our Centre.

Many of Tooting Transition activities are held at our Centre, a main feature being the Foodival. Another regular activity is the Recycle Project which encourages people to use their electronic equipment longer in order to reduce waste.

**Sustainability, Social Responsibility and Public Impact**

Mushkil Aasaan continues to promote a strong citizenship-based culture of involvement and social responsibility through a range of activities and forums. We continue to strengthen our support networks and links within the wider diverse communities of South London. The importance of developing a shared understanding and cooperation between statutory and secular communities cannot be emphasized enough. Consultancy to Co-professionals and Community representation to statutory services remains a key objective in highlighting unmet needs.

IIP notes that 'Mushkil Aasaan has a very friendly, positive culture and people throughout the organisation enjoy working there and appear to be loyal and dedicated.' As ever, much of our accomplishments this year could not have been achieved without the continued dedication, and commitment of our Careworkers, Volunteers, Trustees, Management Board and Office-Based Support Team.

The daily complexities and challenges of coordinating an effective ongoing development Project, such as Mushkil Aasaan, remains for the most part in the hands of Naseem Aboobaker our Project Director and Bernadette Khan our Consultant Social Worker, both of who work tirelessly beyond the call of duty for the Communities we serve.

To name but a few accomplishments in the year were:

98,512 hours of Domiciliary Care throughout the year.

Employment and Training courses for Careworkers.

At least 30 hours per week of Counselling, Casework and Advocacy Support. Over 50 hours weekly of Volunteering and Crisis Support,

At least 500 Users weekly of Support Groups and Centre Activities.

Community, Professionals, and Statutory Services Consultations,

**Mushkil Aasaan Limited**  
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**Report of the Trustees**  
**for the Year Ended 31 March 2019**

Activities, Seminars and Events.

We remain passionate about our work and support to the families and communities we serve; our success lies in our ethos of our commitment to address unmet needs with a holistic model of support that promotes best value. Across a spectrum of very complex and unmet needs, our early interventionist practice model of assessment and support reduces the call later costlier statutory services. This model of delivery must make significant and huge saving for the local authority and indeed the public purse, while reducing inequalities.

Our Support Groups, Volunteering and Career Development impact on reducing isolation, promoting well-being and reducing dependency on welfare rights. Furthermore, our Domiciliary Care Services empower the elderly to remain in their homes and reduce the demands on hospitalisation and other statutory health and social care services.

The rejection of Mushkil Aasaan's Specialist Homecare Provider status led to a full-scale campaign by the local Community and many organisations in the form of a Public Day Event, a couple of User Days and various Surveys and Petitions. Full reports and various community observations can be found on [mushkilaction.com](http://mushkilaction.com).

**Possible Future Opportunities**

From our early years as a front-room grassroots women's organisation we have been confronted with the consequent outcomes of domestic violence for women and children. The Trustees and co-professionals have been driven by a compelling sense of purpose and desire to ultimately establish an Inter-generational Children and Family Centre.

The Charity has now achieved an important goal and milestone in its history and its success and learning as an organisation. It is now seeking to replicate the model of community engagement that it has achieved in Tooting, through its further capacity-building potential and activities programs. Given its framework of reference to the diversity of cultures and languages it is well placed to meet the challenges ahead.

We now have an independent provider delivering Nursery provision at the Zakia Family Centre. This also addresses the objective of providing a service to Children in Need within the statutory definitions while delivering unmet childcare needs for mothers who want to maximise upon the opportunities within the employment market to raising the economic base of the family. We have kept two places in reserve for children whose family are facing a personal crisis in which they have a need for short-term nursery provision, as part of our charitable purposes. We are further looking to develop pre-school and after-school activities through Ofsted registration processes, when our financial resources permit such expansion.

**Mushkil Aasaan Limited**  
**(A company limited by guarantee)**

**Report of the Trustees**  
**for the Year Ended 31 March 2019**

The Zakia Cultural Heritage Workshop continues to provide an opportunity to women of multi-faith background opportunities to join in with activities such as sewing, knitting, arts and crafts, while enhancing skills-sharing and positive citizenship. The sessions run every other Monday and are well attended by many from multi-cultural backgrounds and those with no recourse to public funds.

A new site was secured recently as part of the Charity's on-going plans for specialised supported sheltered housing which is frequently requested by elders of the Community and remains an unmet need.

The new site is a listed building in the Furzedown conservation area, amidst a stretch of green land with mature shrubbery and listed trees with a potential for development. The rental income from the block of eight residential flats currently services the repayment loan.

The land is used by the local Tooting Transition Project as part of an organic ecology project in which they involve those who are committed to the cause. Children from the local Gatton School have teamed up for the outdoor experience and the Community Garden at North Drive has benefitted from this and is now looking very picturesque.

**Financial review**

The charity made a net surplus of £371,973 during the year. At the balance sheet date, total unrestricted funds amounted to £7,159,570, including a revaluation reserve of £900,000 and a deficit of £27,689 on restricted funds.

**Employee involvement**

Career development amongst our staff remains an organisational key objective. The central focus of our recruitment and practices is promoting and empowering those who seek such opportunities. This manifests itself in continuing to provide inclusive employment. Opportunities for male and female Careworkers and Volunteers, through appropriate vocational packages of support and training while, encompassing anti-discrimination measures at every opportunity. Many of our female staff, for a host of reasons, have not secured appropriate educational qualifications. For some it is their first step towards educational opportunity and economic independence.

Investor in People observed that 'Leadership at Mushkil Aasaan is a great strength that has enabled the key successes recently. Feedback from staff regarding management effectiveness is consistently very positive. In particular the open and transparent leadership of the office team and senior staff sets a positive tone for aspiring leaders and managers throughout the organisation. The senior team, including the Director were felt to be inspirational and motivational. People at all levels describe the positive influence they have on them in their role. '

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**Report of the Trustees**  
**for the Year Ended 31 March 2019**

We continue to endeavour to access the best training for our staff in acquiring professional qualifications in Care Planning, NVQ Levels 2 and 3, this year more courses were provided in Safeguarding, Dementia and End of Life Care, Falls Prevention, Mental Awareness, First Aid, PEG Feeding and Catheter Care. Regular workshops were held to reiterate our policies in line with CQC regulations.

**Statement as to disclosure of information to auditors**

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Mushkil Aasaan Limited (A company limited by guarantee) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and the trustees have taken all steps that they ought to have

**Mushkil Aasaan Limited**  
**(A company limited by guarantee)**

**Report of the Trustees**  
**for the Year Ended 31 March 2019**

taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AUDITOR**

The auditor, Nasir Mahmud FCA, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23<sup>rd</sup> December 2019 and signed on the board's behalf by:

*S. Farhat.*

.....  
Mrs. Shaheen Farhat - Trustee

**Report of the Independent Auditor to the Members of**  
**Mushkil Aasaan Limited**  
**(A company limited by guarantee)**

**Opinion**

I have audited the financial statements of Mushkil Aasaan Limited (A company limited by guarantee) (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of my report. I am independent of the charitable company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is enough and appropriate to provide a basis for my opinion.

**Conclusions relating to going concern**

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Report of the Independent Auditor to the Members of**  
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**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and my Report of the Independent Auditor thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which I am required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, I have not identified material misstatements in the Report of the Trustees.

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by me; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



**Report of the Independent Auditor to the Members of**  
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**My responsibilities for the audit of the financial statements**

My 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 a Report of the Independent Auditor that includes my opinion. Reasonable assurance is a high level of assurance but is 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 on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my Report of the Independent Auditor.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My audit work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in an auditor'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 charitable company and the charitable company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Nasir Mahmud FCA (senior statutory auditor)



For and on behalf of:

Nasir Mahmud  
Chartered Accountant  
Falcon House  
257 Burlington Road  
New Malden  
Surrey  
KT3 4NE

Date: 23 December 2019

Mushkil Aasaan Limited  
(A company limited by guarantee)

Statement of Financial Activities  
for the Year Ended 31 March 2019

		Unrest ricted funds	Restricted fund	31.3.19 Total funds	31.3.18 Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	51,593	51,593	51,595
Other trading activities	3	1,544,277	-	1,544,277	1,500,778
Investment income	4	<u>149,626</u>	<u>-</u>	<u>149,626</u>	<u>160,062</u>
<b>Total</b>		1,693,903	51,593	1,745,496	1,712,435
<b>EXPENDITURE ON</b>					
Raising funds	5	76,968	-	76,968	41,476
<b>Charitable activities</b>	6				
Spot Purchases		971,616	-	971,616	972,812
Charitable activity		326,113	43,926	370,039	386,727
Governance costs		<u>14,000</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>
<b>Total</b>		<u>1,388,697</u>	<u>43,926</u>	<u>1,432,623</u>	<u>1,415,015</u>
		305,206	7,667	312,873	297,420
Net gains/(losses) on investments		<u>59,100</u>	<u>-</u>	<u>59,100</u>	<u>(108,000)</u>
<b>NET INCOME</b>		364,306	7,667	371,973	189,420
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		6,795,264	(35,356)	6,579,908	6,570,488
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>7,159,570</u>	<u>(27,689)</u>	<u>7,131,881</u>	<u>6,759,908</u>

**CONTINUING OPERATIONS**

All income and expenditure have arisen from continuing activities.

Mushkil Aasaan Limited  
(A company limited by guarantee)

Balance Sheet  
At 31 March 2019

	Notes	31.3.19 Total funds £	31.3.18 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	11	531,654	536,280
Investment property	12	<u>4,210,000</u>	<u>4,150,000</u>
		4,741,654	4,686,280
<b>CURRENT ASSETS</b>			
Debtors	13	270,338	401,548
Cash at bank and in hand		<u>2,678,881</u>	<u>2,441,859</u>
		2,949,219	2,843,407
<b>CREDITORS</b>			
Amounts falling due within one year	14	(282,069)	(382,964)
		<u>          </u>	<u>          </u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		2,667,150	2,460,443
		<u>          </u>	<u>          </u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,408,804	7,146,723
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(66,023)	(176,815)
<b>PROVISIONS FOR LIABILITIES</b>	17	(210,900)	(210,000)
		<u>          </u>	<u>          </u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>7,131,881</u>	<u>6,759,908</u>
<b>FUNDS</b>	18		
Unrestricted funds:			
General fund		6,259,570	5,955,264
Revaluation Reserve		<u>900,000</u>	<u>840,000</u>
		7,019,570	6,795,264
Restricted funds:			
Restricted Fund		(27,789)	(35,356)
<b>TOTAL FUNDS</b>		<u>7,131,881</u>	<u>6,759,908</u>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Balance Sheet  
At 31 March 2019

The financial statements were approved by the Board of Trustees on 23<sup>rd</sup> December 2019 and were signed on its behalf by:

*S. Farhat*

.....  
Mrs. Shaheen Farhat -Trustee

**Mushkil Aasaan Limited**  
**(A company limited by guarantee)**

**Cash Flow Statement**  
**for the Year Ended 31 March 2019**

	31.3.19	31.3.18
	£	£
<b>Cash flows from operating activities:</b>		
Cash generated from operations 1	361,599	233,674
Interest paid	(8,049)	(10,175)
	<hr/>	<hr/>
<b>Net cash provided by (used in) operating activities</b>	<b>353,550</b>	<b>223,499</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities:</b>		
Purchase of tangible fixed assets	(9,501)	-
Interest received	3,991	1,155
Repayment of loan	(111,018)	(108,930)
	<hr/>	<hr/>
<b>Net cash provided by (used in) investing activities</b>	<b>(116,528)</b>	<b>(107,775)</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>237,022</b>	<b>115,724</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,441,859</b>	<b>2,326,135</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2,678,881</b>	<b>2,441,859</b>
	<hr/>	<hr/>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2019

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.3.19	31.3.18
	£	£
<b>Net income for the reporting period (as per the statement of financial activities)</b>	371,973	189,420
<b>Adjustments for:</b>		
Depreciation charges	14,127	13,222
Interest received	(3,991)	(1,155)
Interest paid	8,049	10,175
(Increase)/decrease in debtors	131,210	(115,591)
(Decrease)/increase in creditors	(100,669)	29,603
Property revaluation	(59,100)	108,000
<b>Net cash provided by (used in) operating activities</b>	361,599	233,674
	<u>          </u>	<u>          </u>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements  
for the Year Ended 31 March 2019

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals 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.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Straight line over fifty years
Fixtures and fittings	- 25% Straight line

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Taxation**

The charity is exempt from corporation tax on its charitable activities. However, it is subject to income tax on net rental income, and capital gains tax on any capital gains.

**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 charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statement  
for the Year Ended 31 March 2019

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. DONATIONS AND LEGACIES**

	31.3.19	31.3.18
	£	£
Grants	51,593	51,595

Grants received, included in the above, are as follows:

	31.3.19	31.3.18
	£	£
WBC grant	45,468	36,376
Performance Payments	-	9,094
Zakia Centre grant	6,125	6,125

**3. OTHER TRADING ACTIVITIES**

	31.3.19	31.3.18
	£	£
Spot purchase services		
Exceptional credit	1,452,387	1,500,778
	91,890	-

**4. INVESTMENT INCOME**

	31.3.19	31.3.18
	£	£
Rents received	145,635	158,907
Deposit account interest	3,991	1,155
	149,626	160,062

**5. RAISING FUNDS**

	31.3.19	31.3.18
Other trading activities - Bad debts	21,700	-

**Investment management costs**

	31.3.19	31.3.18
	£	£
Professional fees	2,220	2,250
Property repairs	34,280	10,716
Tax on rental income	18,768	26,179
Rates	-	262
Durable items	-	2,069
	55,268	41,476



Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

**6. CHARITABLE ACTIVITIES COSTS**

	31.3.19	31.3.18
	£	£
Spot Purchases	971,616	972,812
Charitable activity	370,039	386,727
Governance costs	<u>14,000</u>	<u>14,000</u>
	<u>1,355,655</u>	<u>1,373,539</u>

**7. NET INCOME/(EXPENDITURE)**

Net income / (expenditure) is stated after charging /(crediting):

	31.3.19	31.3.18
	£	£
Depreciation - owned assets	<u>14,127</u>	<u>13,222</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2017.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2018.

**9. STAFF COSTS**

	31.3.19	31.3.18
	£	£
Wages and salaries	1,126,613	1,127,698
Social security costs	53,492	63,715
Other pension costs	<u>10,973</u>	<u>5,620</u>
	<u>1,191,078</u>	<u>1,033,760</u>

The average monthly number of employees during the year was as follows:

	31.3.19	31.3.18
Care services	84	99
Administration	<u>10</u>	<u>11</u>
	<u>94</u>	<u>110</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.19	31.3.18
£70,001 - £80,000	<u>1</u>	<u>1</u>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestric ted funds	Restrict ed fund	Total funds
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	-	51,595	51,595
Other trading activities	1,500,778	-	1,500,778
Investment income	<u>160,062</u>	<u>-</u>	<u>160,062</u>
<b>Total</b>	<b>1,477,338</b>	<b>45,468</b>	<b>1,712,435</b>
 <b>EXPENDITURE ON</b>			
Raising funds	41,476	-	41,476
<b>Charitable activities</b>			
Spot Purchases	972,812	-	972,812
Charitable activity	344,842	41,885	386,727
Governance costs	<u>14,000</u>	<u>-</u>	<u>14,000</u>
<b>Total</b>	<b>1,373,130</b>	<b>41,885</b>	<b>1,415,015</b>
<b>Net gains/(losses) on investments</b>	<b>(108,000)</b>	<b>-</b>	<b>(108,000)</b>
<b>Net movement in funds</b>	<b>179,710</b>	<b>9,710</b>	<b>189,420</b>
			-
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>6,615,554</b>	<b>(45,066)</b>	<b>6,570,488</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>6,795,264</b>	<b>(35,356)</b>	<b>6,759,908</b>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

**11. TANGIBLE FIXED ASSETS**

	Freehold property	Fixtures and fittings	Totals
	£	£	£
<b>COST</b>			
At 1 April 2018	710,534	56,068	766,602
Additions	-	9,501	9,501
Disposals	-	(50,220)	(50,220)
At 31 March 2019	710,534	15,349	725,883
<b>DEPRECIATION</b>			
At 1 April 2018	175,307	55,015	230,222
Charge for year	10,700	3,427	14,127
Eliminated on disposal	-	(50,220)	(50,220)
At 31 March 2019	186,007	8,222	194,229
<b>NET BOOK VALUE</b>			
At 31 March 2019	524,527	7,127	531,654
At 31 March 2018	535,227	1,053	536,280

Included in cost or valuation of land and buildings is freehold land of £175,000 which is not depreciated.

**12. INVESTMENT PROPERTY**

	£
<b>MARKET VALUE</b>	
At 1 April 2018	4,782,757
Revaluation	60,000
31 March 2019	4,842,757
<b>AMORTISATION</b>	
At 1 April 2018 and 31 March 2019	632,757
<b>NET BOOK VALUE</b>	
At 31 March 2019	4,210,000
At 31 March 2018	4,150,000

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19	31.3.18
	£	£
Trade debtors	100,652	199,758
Provision for bad debts	(40,957)	(19,257)
Prepayments and accrued income	210,643	221,047
	270,338	401,548

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.19	31.3.18
	£	£
Bank loans and overdrafts (see note 16)	117,774	118,000
Tax	18,768	25,658
Social security and other taxes	31,902	41,913
Other creditors	31,061	26,104
Accruals and deferred income	<u>82,564</u>	<u>171,288</u>
	<u>282,069</u>	<u>382,964</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.19	31.3.18
	£	£
Bank loans (see note 16)	<u>66,023</u>	<u>176,815</u>

**16. LOANS**

This loan is secured by a legal charge on the freehold property at 5 North Drive, Tooting, London SW16 1RN. The loan is repayable in 24 months,

expiring on 9<sup>th</sup> October 2019.

An analysis of the maturity of loans is given below:

	31.3.19	31.3.18
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>117,774</u>	<u>118,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>66,023</u>	<u>118,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>58,815</u>

**17. PROVISIONS FOR LIABILITIES**

	31.3.19	31.3.18
	£	£
Deferred tax	<u>210,900</u>	<u>210,000</u>

Mushkil Aasaan Limited  
(A company limited by guarantee)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

**18. MOVEMENT IN FUNDS**

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
<b>Unrestricted funds</b>			
General fund	5,955,264	304,306	6,259,570
Revaluation Reserve	<u>840,000</u>	<u>60,000</u>	<u>900,000</u>
	6,795,254	364,306	7,159,570
<b>Restricted funds</b>			
Restricted Fund	(35,356)	7,667	(27,689)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>6,759,908</u>	<u>371,973</u>	<u>7,131,881</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	1,693,903	(1,388,697)	305,206
<b>Restricted funds</b>			
Restricted Fund	51,593	(43,926)	7,667
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>1,745,496</u>	<u>(1,432,623)</u>	<u>312,873</u>

**19. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2019.

**20. POST BALANCE SHEET EVENT**

The current service level agreement for providing homecare services expired at the end of June 2019. This contract has not been renewed by the Wandsworth Borough Council.