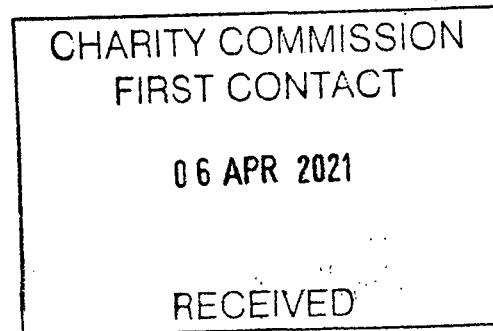


Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2020
for
Mushkil Aasaan Limited
(A Company Limited by Guarantee)



Mushkil Aasaan Limited
(A company limited by guarantee)

Contents of the Financial Statements for the Year
Ended 31 March 2020

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Mushkil Aasaan Limited
(A company limited by guarantee)

Reference and Administrative Details
for the Year Ended 31 March 2020

TRUSTEES

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

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 2020

The trustees present their strategic report for the year ended 31 March 2020.

REVIEW OF BUSINESS

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.

The principal activity of Mushkil Aasaan Limited is to provide care and support for individuals and families and their carers, education, and training to those providing care.

As a Specialist Provider for Domiciliary Care and End of Life Care regulated by the Care Quality Commission, we have delivered over 85,000 hours of care. In our latest CQC Inspection of our services we were assessed as being safe, effective, caring and responsive and well-led while rated as GOOD.

We continue to provide End of Life Care Services under Pan London NHS 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.

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. This has led to a risk in the potential reduction in the Charities generated income through the spot-purchasing of our Domiciliary Care.

What was pleasing was that 95% of our Service Users chose to remain with us as their Care Provider, through the Direct Payment option. It has been a year of consolidation with the mammoth task of mobilisation of Care Packages from the main service to Direct Payments with a substantial amount of Advocacy input and collaborative working with the Local Authority.

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. With several trained Systemic Therapists in place currently, we continue to play a major role in Co-producing innovative models of therapies and Health and Wellbeing programmes.

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.

Mushkil Aasaan Limited
(A company limited by guarantee)

Strategic Report
for the Year Ended 31 March 2020

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.

The unit cost has remained considerably reduced 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'.

There is a heightened sense of uncertainty as we enter the end of year with the Lockdown of the Covid 19 Pandemic with Government Guidance and Infection Control/PPE taking precedence as we enter the uncertain digital world whilst continuing to provide the Services as Key Workers.

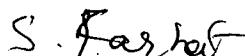
FUTURE PROSPECTS

Possible Future Opportunities

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 our NHS AQP Provider Status there is scope to venture into surrounding boroughs to provide these much-needed services. To develop an End-of-Life Care Service in Croydon whilst promoting Care work 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 Empowerment Network.

This report was approved by the Board on 25th March 2021 and signed on its behalf by



Mrs. S. Farhat - Trustee

Mushkil Aasaan Limited
(A company limited by guarantee)

Report of the Trustees
for the Year Ended 31 March 2020

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 2020. 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 (FRS 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 poor 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 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

Report of the Trustees
for the Year Ended 31 March 2020

inequalities through community representation, development and advocacy. We remain committed to supporting our communities that enhances their overall

wellbeing, through lifestyle choices and our shared activities, not least women and children who have no recourse to public funds or are experiencing Domestic Violence.

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 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 sustainable and creative initiatives, while increasing revenue and control costs within models of best value.

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 austerity with local government budget cuts in health and social care. Care Staff retention poses issues in a climate of in-work welfare rights dependencies in increasing housing costs, basic sustenance, and expensive childcare.

It was observed that "people and their relatives told them 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 undertaking 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 therapeutic counselling provision, rooted in personal empowerment focus. Added value to this is appropriate practical assistance and advocacy in accessing welfare rights, housing, social care while underpinning with community support networks, career development, health and social well-being support.

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.

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

Report of the Trustees
for the Year Ended 31 March 2020

Centre. Apart from a weekly lunch together it incorporates well-women seminars and fitness activities, to promote their overall well-being. They are also able to voice their concerns, views and needs, while having access to our full range of services.

Additionally, a group of elderly men meet at our centre to reminisce about their life stories and histories of India and Africa while supporting each other through their family networks, in times of trouble or distress.

A group of young professional 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. As part of our capacity building and partnership programs, we have hosted Youth and knife crime seminars, while supporting Somalian Mothers.

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 to reduce waste.

The land at the Community Garden at North Drive 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 as well as CARAS, the Refugee Group.

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.

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.

Several Volunteers have trained with the Spiritual Centre at St Georges Hospital as part of the Chaplaincy Team to visit and support patients in the Wards. As we enter the end of year with the Lockdown of the Covid 19 Pandemic we wonder what the future holds. Government Guidelines and Infection Control and PPE take precedence as we enter the uncertain digital world whilst continuing to provide the Services as Key Workers.

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. Mushkil Aasaan continues to build its links and support networks with the statutory and voluntary sector and the wider diverse communities of

Mushkil Aasaan Limited
(A company limited by guarantee)

Report of the Trustees
for the Year Ended 31 March 2020

South London which was overwhelmingly evident at its Public Event.

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 whom work tirelessly beyond the call of duty for the Communities we serve.

To name but a few accomplishments in the year were:

More than 85,000 hours of Domiciliary Care throughout the year. 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, 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 on 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.

Possible Future Opportunities

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 our NHS AQP Provider Status there is scope to venture into surrounding boroughs to provide these much-needed services. To develop an End-of-Life Care Service in Croydon whilst promoting Care work 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 Empowerment Network.

Financial review

The charity made a net surplus of £212,043 during the year. At the balance sheet date, total unrestricted funds amounted to £7,372,174, including a net revaluation reserve of £891,900 and a deficit of £28,250 on restricted funds.

Report of the Trustees
for the Year Ended 31 March 2020

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.

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. Whilst encompassing anti-discrimination measures at every opportunity, we build capacity through appropriate vocational packages of support and training such as Cancer Support, Dementia, Manual Handling Refreshers, Care Certificate, Understanding Personal Care Needs, End of Life, Level 5 Leadership, and Holistic Psychotherapy.

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. '

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 situation 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.

Mushkil Aasaan Limited
(A company limited by guarantee)

Report of the Trustees
for the Year Ended 31 March 2020

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 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 25th March 2021 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 2020 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 2020 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 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 Auditor 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 sufficient 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.

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, except to the extent otherwise explicitly stated in my report, 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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the

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

financial statements or a material misstatement of the other information. 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.

Opinions 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 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 either the Strategic Report or 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.

My responsibilities for the audit of the financial statements

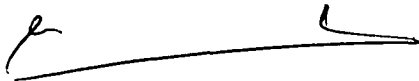
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditor that includes my opinion. Reasonable assurance is a high level of assurance, but is not 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. This description forms part of my Report of the Independent Auditor.

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

Use of my 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)

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

Date: 25 March 2021

Mushkil Aasaan Limited
(A company limited by guarantee)

Statement of Financial Activities
for the Year Ended 31 March 2020

		Unrestricted	Restricted	31.3.20 Total	31.3.19 Total
	Notes	funds £	fund £	funds £	funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	47,918	47,918	51,593
Spot purchase services	3	1,516,484	-	1,516,484	1,452,387
Investment income	4	<u>162,215</u>	<u>-</u>	<u>162,215</u>	<u>149,626</u>
Total		1,678,699	47,918	1,726,617	1,653,606
EXPENDITURE ON					
Raising funds	5	130,407	-	130,407	76,968
Charitable activities	6				
Spot Purchases		973,275	-	973,275	971,616
Charitable activity		340,313	48,479	388,792	370,039
Governance costs		<u>14,000</u>	<u>-</u>	<u>14,000</u>	<u>(77,890)</u>
Total		1,457,995	48,479	1,506,474	1,340,733
Net gains on investments		<u>(8,100)</u>	<u>-</u>	<u>(8,100)</u>	<u>59,100</u>
NET INCOME		212,604	(561)	212,043	371,973
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>7,159,570</u>	<u>(27,689)</u>	<u>7,131,881</u>	<u>6,759,908</u>
TOTAL FUNDS CARRIED FORWARD		<u>7,372,174</u>	<u>(28,250)</u>	<u>7,343,924</u>	<u>7,131,881</u>

Mushkil Aasaan Limited
(A company limited by guarantee)

Balance Sheet
31 March 2020

		31.3.20 Total	31.3.19 Total
	Notes	funds £	funds £
FIXED ASSETS			
Tangible assets	11	520,964	531,654
Investment property	12	<u>4,200,000</u>	<u>4,210,000</u>
		4,720,964	4,741,654
CURRENT ASSETS			
Debtors	13	326,250	270,338
Cash at bank and in hand		<u>2,676,020</u>	<u>2,678,881</u>
		3,002,270	2,949,219
CREDITORS			
Amounts falling due within one year	14	(170,310)	(282,069)
NET CURRENT ASSETS/ (LIABILITIES)		<u>2,831,960</u>	<u>2,667,150</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,552,924	7,408,804
CREDITORS			
Amounts falling due after more than one year	15	-	(66,023)
PROVISIONS FOR LIABILITIES	17	(209,000)	(210,900)
NET ASSETS		<u>7,343,924</u>	<u>7,131,881</u>
FUNDS	18		
Unrestricted funds:			
General fund		6,480,274	6,259,570
Revaluation Reserve		<u>891,900</u>	<u>900,000</u>
		7,372,174	7,159,570
Restricted funds:			
Restricted Fund		<u>(28,250)</u>	<u>(27,689)</u>
TOTAL FUNDS		<u>7,343,924</u>	<u>7,131,881</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th March 2021 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 2020

	Notes	31.3.20 £	31.3.19 £
Cash flows from operating activities			
Cash generated from operations	1	181,732	361,599
Interest paid		(4,316)	(8,049)
		<hr/>	<hr/>
Net cash provided by operating activities		177,416	353,550
 Cash flows from investing activities			
Purchase of tangible fixed assets		(3,180)	(9,501)
Interest received		6,700	3,991
Repayment of loan		(183,797)	(111,018)
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		(180,277)	(116,528)
 Change in cash and cash equivalents in the reporting period		(2,861)	237,022
Cash and cash equivalents at the beginning of the reporting period		2,678,881	2,441,859
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		2,676,020	2,678,881
		<hr/>	<hr/>

Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Cash Flow Statement
for the Year Ended 31 March 2020

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

	31.3.20	31.3.19
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	212,043	371,973
Adjustments for:		
Depreciation charges	13,870	14,127
Losses on investments	8,100	(59,100)
Interest received	(6,700)	(3,991)
Interest paid	4,316	8,049
(Increase)/decrease in debtors	(55,912)	131,210
Decrease in creditors	<u>6,015</u>	<u>(100,669)</u>
Net cash provided by operations	<u>181,732</u>	<u>361,599</u>

Notes to the Financial Statements
for the Year Ended 31 March 2020

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 2019)', 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, as modified by the revaluation of certain assets.

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 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.

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

Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

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

	31.3.20	31.3.19
	£	£
Grants	47,918	51,593
Other grants	47,918	51,593

3. OTHER TRADING ACTIVITIES

	31.3.20	31.3.19
	£	£
Spot purchase services - 2019-20	1,467,007	1,452,387
Spot purchase services - 2018-19	49,477	-

4. INVESTMENT INCOME

	31.3.20	31.3.19
	£	£
Rents received	155,515	145,635
Deposit account interest	6,700	3,990
	162,215	149,625

5. RAISING FUNDS

Other trading activities

	31.3.20	31.3.19
	£	£
Bad debts	36,116	21,700

Investment management costs

	31.3.20	31.3.19
	£	£
Professional fees	48,000	2,220
Property repairs	21,292	34,280
Tax on rental income	24,999	18,768
	94,291	55,268

Aggregate amounts	130,470	76,968
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Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Direct Costs
	2020	2019
	£	£
Spot Purchases	973,275	971,616
Charitable activity	388,792	370,039
Governance costs	<u>14,000</u>	<u>(77,890)</u>
	<u>1,376,067</u>	<u>1,263,765</u>

7. NET INCOME/ (EXPENDITURE)

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

	31.3.20	31.3.19
	£	£
Depreciation - owned assets	<u>13,870</u>	<u>14,127</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

9. STAFF COSTS

	31.3.20	31.3.19
	£	£
Wages and salaries	1,125,355	1,126,613
Social security costs	57,745	53,492
Other pension costs	<u>16,092</u>	<u>10,973</u>
	<u>1,199,192</u>	<u>1,191,078</u>

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

	31.3.20	31.3.19
Care services	97	84
Administration	10	10
Total	107	94

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

	31.3.20	31.3.19
£70,001 - £80,000	<u>1</u>	<u>1</u>
	<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 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	51,593	51,593
Other trading activities	1,452,387	-	1,452,387
Investment income	<u>149,626</u>	<u>-</u>	<u>149,626</u>
Total	1,602,013	51,593	1,653,606
 EXPENDITURE ON			
Raising funds	76,968	-	76,968
Charitable activities			
Spot Purchases	971,616	-	971,616
Charitable activity	326,113	43,926	370,039
Governance costs	<u>(77,890)</u>	<u>-</u>	<u>(77,890)</u>
Total	1,296,807	43,926	1,340,733
Net gains on investments	<u>59,100</u>	<u>-</u>	<u>59,100</u>
NET INCOME	364,306	7,667	371,973
 RECONCILIATION OF FUNDS			
Total funds brought forward	6,795,264	(35,356)	6,759,908
TOTAL FUNDS CARRIED FORWARD	<u>7,159,570</u>	<u>(27,689)</u>	<u>7,131,881</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2019	710,534	15,349	725,883
Additions	<u>-</u>	<u>3,180</u>	<u>3,180</u>
At 31 March 2020	<u>710,534</u>	<u>18,529</u>	<u>729,063</u>
 DEPRECIATION			
At 1 April 2019	186,007	8,222	194,229
Charge for year	<u>10,700</u>	<u>3,170</u>	<u>13,870</u>
At 31 March 2020	<u>196,707</u>	<u>11,392</u>	<u>208,099</u>
 NET BOOK VALUE			
At 31 March 2020	<u>513,827</u>	<u>7,137</u>	<u>520,964</u>
At 31 March 2019	<u>524,527</u>	<u>7,127</u>	<u>531,654</u>

Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

11. TANGIBLE FIXED ASSETS - continued

Included in cost or valuation of land and buildings is freehold land of £175,000 (2019 - £175,000) which is not depreciated.

12. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2019	4,842,757
Revaluation	(10,000)
At 31 March 2020	4,832,757
AMORTISATION	
At 1 April 2019 and 31 March 2020	632,757
NET BOOK VALUE	
At 31 March 2020	4,200,000
At 31 March 2019	4,210,000

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade debtors	251,942	100,652
Provision for bad debts	(77,073)	(40,957)
Prepayments and accrued income	151,381	210,643
	<u>326,250</u>	<u>270,338</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Bank loans and overdrafts (see note 16)	-	117,774
Tax	24,999	18,768
Social security and other taxes	28,443	31,902
Other creditors	46,642	31,062
Accruals and deferred income	70,226	82,565
	<u>170,310</u>	<u>282,069</u>

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

	31.3.20 £	31.3.19 £
Bank loans (see note 16)	-	66,023
	<u> </u>	<u> </u>

Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

16. LOANS

An analysis of the maturity of loans is given below:

	31.3.20	31.3.19
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>-</u>	<u>117,774</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>-</u>	<u>66,023</u>

17. PROVISIONS FOR LIABILITIES

	31.3.20	31.3.19
	£	£
Deferred tax	<u>209,000</u>	<u>210,900</u>

18. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
General fund	6,259,570	220,704	6,480,274
Revaluation Reserve	<u>900,000</u>	<u>(8,100)</u>	<u>891,900</u>
	7,159,570	212,604	7,372,174
Restricted funds			
Restricted Fund	<u>(27,689)</u>	<u>(561)</u>	<u>(28,250)</u>
TOTAL FUNDS	<u>7,131,881</u>	<u>212,043</u>	<u>7,343,924</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,678,699	(1,466,095)	212,604
Restricted funds			
Restricted Fund	<u>47,918</u>	<u>(48,479)</u>	<u>(561)</u>
TOTAL FUNDS	<u>1,726,617</u>	<u>(1,514,574)</u>	<u>212,043</u>

Mushkil Aasaan Limited
(A company limited by guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

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

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,602,013	(1,296,807)	-	305,206
Revaluation Reserve	<u>-</u>	<u>-</u>	<u>59,100</u>	<u>59,100</u>
	1,602,013	(1,296,807)	59,100	364,306
Restricted funds				
Restricted Fund	<u>51,593</u>	<u>(43,926)</u>	<u>-</u>	<u>7,667</u>
TOTAL FUNDS	<u>1,653,606</u>	<u>(1,340,733)</u>	<u>59,100</u>	<u>371,973</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2020.

20. POST BALANCE SHEET EVENT

Mushkil Aasaan continues to operate without a formal service level agreement for providing homecare services. The contract was not renewed by the Wandsworth Borough Council.

Mushkil Aasaan Limited
(A company limited by guarantee)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2020

	31.3.20 £	31.3.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	47,918	51,593
Other trading activities		
Spot purchase services	1,516,484	1,452,387
Exceptional items	-	<u>91,890</u>
	1,516,484	1,544,277
Investment income		
Rents received	155,515	145,635
Deposit account interest	<u>6,700</u>	<u>3,990</u>
	162,215	149,625
Total incoming resources	1,726,617	1,745,495
EXPENDITURE		
Other trading activities		
Bad debts	36,116	21,700
Investment management costs		
Professional fees	48,000	2,220
Property repairs	21,292	34,280
Tax on rental income	<u>24,999</u>	<u>18,768</u>
	94,291	55,268
Charitable activities		
Wages	1,125,355	1,126,613
Social security	57,745	53,492
Pensions	16,092	10,973
Rates and water	8,250	7,902
Insurance	34,741	35,008
Light and heat	5,927	9,243
Telephone	5,822	5,753
Postage and stationery	7,309	9,454
Sundries	5,897	4,831
Travelling	2,071	2,086
Audit	6,000	6,000
Accountancy	16,981	16,857
Consultancy fees	18,200	20,020
Professional fees	34,873	12,232
Repairs and maintenance	9,868	7,943
Community care	2,750	5,072
Freehold property	10,700	10,700
Fixtures and fittings	3,170	3,427
Bank interest	1,665	1,294
Bank loan interest	<u>2,651</u>	<u>6,755</u>
	1,376,067	1,355,655
Total resources expended	1,506,474	1,432,623
Net income	<u>212,143</u>	<u>312,872</u>