



**Minhaj**  
Welfare Foundation

[MINHAJWELFARE.ORG](http://MINHAJWELFARE.ORG)



# **Audited Financial Statements 2021-22**

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Inspired by our faith and guided by our values, we envisage a peaceful world where communities are empowered, social obligations are fulfilled and people respond to the needs and suffering of others.

Minhaj Welfare Foundation takes the principle view that there is no greater priority in life than to lift the poor out of poverty.



# ABOUT US

Minhaj Welfare Foundation was founded in 1989 as a compassionate response to the rise of inequality and poverty in Pakistan. Since then it has been serving and striving to make the world a better and fairer place.

One of the key and foremost reasons for the establishment of Minhaj Welfare Foundation was to establish a network of schools that will provide a quality education that is accessible to the economically deprived communities of Pakistan.

MWF strongly believes that education is the most crucial foundation stone of any society; without which the development and progress of any nation is not achievable.

Since our establishment, we have built 640 educational institutions including schools, colleges, libraries and a University catering for well over 150,000 students and through this we are contributing to the livelihoods of over 7000 families through the employment of our academic and administrative staff.

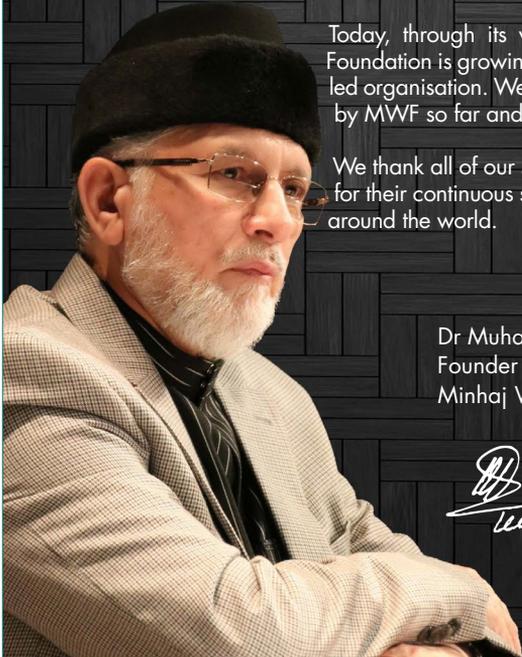
MWF strongly adheres to the philosophy that education should be supplemented with rigorous moral and ethical training so that the students make a positive contribution to the development of their communities.

Based on this our Education program provides a holistic education that empowers children to lead productive and successful lives.

Today, through its worldwide network Minhaj Welfare Foundation is growing as a leading international grassroots organisation. We are proud of the achievements made by MWF so far and know that there is still much to do.

We thank all of our supporters, volunteers and MWF staff for their continuous support and endeavours in saving lives around the world.

Dr Muhammad Tahir-ul-Qadri  
Founder  
Minhaj Welfare Foundation



*Since 1989*



We thank our supporters for their growing trust in our organisation: sharing peace, love and harmony with the less fortunate worldwide, regardless of race, religion, language or sect.

## BANK TRANSFER

TELEPHONE DONATIONS	CHEQUES BY POST	ONLINE DONATIONS
<p>For UK (<b>GBP - £</b>)                      Bank Name: <b>HSBC</b>                      Sort Code: <b>40-15-17</b>                      Account No.: <b>21 65 18 03</b>                      IBAN No.:  <b>GB35 HBUK 401517 2165 1803</b>                      SWIFT: <b>HBUKGB411 4H</b></p>	<p>For EUROPE (<b>EURO - €</b>)                      Bank Name: <b>HSBC</b>                      Sort Code: <b>40-12-76</b>                      Account No.: <b>74 27 39 64</b>                      IBAN No.:  <b>GB39 HBUK 401276 7427 3964</b>                      SWIFT: <b>HBUKGB4B</b></p>	<p>For US (<b>DOLLAR - \$</b>)                      Bank Name: <b>HSBC</b>                      Sort Code: <b>40-12-76</b>                      Account No.: <b>74 27 22 49</b>                      IBAN No.:  <b>GB79 HBUK 401276 7427 2249</b>                      SWIFT: <b>HBUKGB4B</b></p>
<p>To make a donation over the phone using your debit/credit card, please call us directly on:</p> <p style="text-align: center;"><b>0300 30 30 777 (UK)</b>  <b>+44 20 3375 4730 (INT.)</b>  <b>1-888-9-646425 (US/CA)</b></p>	<p>Please make cheques payable to <b>MWF</b> and post to</p> <p style="text-align: center;"><b>Minhaj Welfare Foundation,</b>  <b>30 Brindley Road,</b>  <b>Manchester, M16 9HQ</b></p>	<p>Visit our website  <a href="http://minhajwelfare.org">minhajwelfare.org</a></p>

Registered Charity Numbers: England & Wales 1084057 Scotland SC043566

Implemented Projects on behalf of



## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. 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 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **OBJECTIVES AND AIMS**

The organisation, Minhaj-ul-Quran Welfare Foundation 'MWF' is a registered charity and was established by a Trust Deed made on the 10th May 2000, which was first amended on the 7th December 2000 and registered with the Charity Commission on the 11th December 2000. The Trust Deed was then amended in October 2012. The charity is governed under the Trust Deed.

Minhaj Welfare Foundation (MWF) is a Worldwide Humanitarian Development organisation helping to support the poor and needy in marginalised communities working for their basic human rights, providing children access to Education, providing the poor access to Basic Health Care and the means for Social Economic & Welfare support for the deprived within the developing world.

It aims to work in removing short term difficulties and is committed to work to its long term and sustainable goals in South Asia, The Middle East, Africa, UK, Europe, and North America.

The core objectives of Minhaj Welfare Foundation can be summarised into the following:

- a. The relief of poverty, sickness, distress and suffering of any persons who are in need irrespective of their nationality, race, ethnic origin, and religious beliefs.
- b. The advancement of other charitable purposes for the benefit of the public to provide recreational facilities and activities in the interests of social welfare with the objective of providing the conditions of life for those persons in need of such facilities.
- c. The advancement of research & development and education for the public benefit concerning the teachings of Islam.

#### **SIGNIFICANT ACTIVITIES**

The charity invested heavily its time and resources in the advancement of all its purposes mentioned above. Its most significant activities were focused around providing the needy with life's necessities, such as clean water and food, and education through its institutes and sponsorships.

The charity also supported Minhaj College Manchester in furtherance of its educational objectives and FMRI in furtherance of its Research and Development goals.

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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### **VOLUNTEERS**

Volunteers are an important resource in both faith and community work. Volunteers are involved in most of our community activities, and we have volunteers regularly giving their time. All our trustees also give their time freely. We encourage all members of our organisation to be involved in voluntary activities and to share their skills with others.

### **ACHIEVEMENT AND PERFORMANCE**

#### **CHARITABLE ACTIVITIES**

The Fundraising, Donor Relationship, Volunteer management and Community engagement Departments hosted many community engagement, educational, recreational and fundraising events and activities, both physically and online. Our digital presence has also remained consistent following our efforts on it last year.

Our media campaign was run through social media, google advertising, various private TV channels and community radio stations across the UK to help promote all our campaigns including our seasonal Ramadan and Qurbani campaigns. Another significant campaign was the World Orphan Day appeal to raise funds for our Orphan and Needy Projects.

Over the past year MWF has been extensively working to improve its administrative procedures and ensure a more efficient and effective aid/project delivery procedure.

#### **CAMPAIGN OF PROJECTS DURING THE YEAR:**

##### **WATER FOR ALL**

As part of its vision to provide clean and safe drinking water to the poor and needy in the third world, Minhaj Welfare Foundation has built more than 1250 clean water facilities during the year in rural and marginalised areas of the world reaching out to the poorest communities and ensuring people in those regions have long term access to clean drinking water

In addition to MWF's small and medium sized water projects, MWF is enhancing its way of ensuring more and more people have easy access to clean drinking water. Through the solar water project, high numbers of community members in poor areas will be able to benefit from simply opening the tap and filling their buckets with clean water.

MWF believes that by providing the source to clean drinking water via a safe water supply, health risks will be reduced, and it will be easier for people to engage in more productive activities like securing an income for their families and growing food.

## **PAKISTAN PROJECTS: SUPPORTING A NUMBER OF PROJECTS IN THE YEAR**

One of the main thematic and focus areas of Minhaj Welfare Foundation's humanitarian and development work is in Pakistan. With donors' help, MWF delivers a continual supply of life-saving emergency aid (which includes Zakat, Sadqah and General donations) as well as supporting families with education, healthcare and livelihoods. The key programme sectors that Minhaj Welfare Foundation has covered over the year are:

- 1. CHILD SPONSORSHIP:** Minhaj Welfare Foundation is aiding orphan and needy children through its child sponsorship programme (which includes financial, educational and living support). In addition, it is also supporting a number of Orphan care homes.
- 2. HELPFED (FOOD SECURITY):** providing food parcels, Iftar, hot meals during Ramadan, Rabi-ul-Awwal and other programmes throughout the year.
- 3. EDUCATION FOR ALL:** Providing scholarships to students at schools and universities.
- 4. OUR FAMILIES:** Rehabilitation and support for poor and needy families.
- 5. EMERGENCY RELIEF:** Minhaj Welfare Foundation is always responding to all major disasters and crises in Pakistan, including the Covid-19 pandemic.
- 6. INFRASTRUCTURE DEVELOPMENT (BUILDING):** Establishing schools, dispensaries, halls, mosques, vocational training centres and safe spaces of learning.
- 7. HEALTHCARE:** Supporting dispensaries, carrying out mobile clinics, covering the surgical costs for needy patients.
- 8. FMRI PAKISTAN** has a team of scholars who work on research and development of both traditional and contemporary books written in Urdu, Arabic and English. The books are then used by schools, Islamic seminaries, universities, students and teachers alike all over the world.

## **MWF'S GLOBAL RESPONSE TO COVID19**

MWF continued its global response to the Covid-19 pandemic. We provided food and relief packages to regions affected by the pandemic, with a focus on Pakistan and the third world, as these regions were most vulnerable due to a lack of local support for those no longer able to work because of the pandemic.

In addition to this, we provided hospitals in India with essential equipment such as ventilators and PPE. Due to Covid-19, respiratory issues and emergencies were widespread, and the local hospitals did not have the resources to keep up with the crisis. MWF provided aid to save lives and relieve suffering.

We also continued to help in the UK until restrictions were eased and self-isolation rules were relaxed.

## **LET'S REVIVE: UK PROJECTS**

Through the Let's Revive project, MWF has been supporting various UK based educational,

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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youth and research initiatives over the year. The two flagship projects include the Minhaj College Manchester (MCM) and the Fareed-e-Millat Research Institute UK (FMRI).

We are a sponsor for Minhaj College Manchester (MCM). MCM is an accredited independent further education institution in Manchester providing access to formal college level qualifications alongside religious education. MWF has donated a member of their staff and provides facilities to MCM as well as donating towards the project.

The FMRI UK has a team of UK and Egypt based scholars who work on research and development of both traditional and contemporary books written in Urdu, Arabic and English. The books are then used by schools, Islamic seminaries, universities, students and teachers alike all over the world.

### **HELP FEED KITCHENS**

We set up kitchen projects in Pakistan and Bangladesh to help feed meals to thousands of families in need. We have initiated kitchen projects in different areas of Pakistan, providing cooked meals to the poor at discounted rates. We aim to expand this project to other cities of Pakistan and Bangladesh. This project should also help improve the scale of food relief we are able to provide in humanitarian crises in these regions.

### **AID FOR REFUGEES**

MWF continues to support ongoing emergency relief efforts and refugee crises by mobilising its local teams. Our focus is to provide clean drinking water, food, medical supplies, and other essentials, as well as providing shelter to the refugees.

We are providing aid to the Rohingya refugees as well as Syrian and Palestinian refugees on the country borders.

### **COMMUNITY ENGAGEMENT**

MWF hosted physical events to engage and educate the community, raise awareness & funds for our projects and improve brand awareness. Key events included:

#### **Community Iftar and Mawlid Events**

Several community Iftar events were arranged which were open for anyone to join and other faith representatives were present. We similarly had Mawlid events throughout the country, arranged and supported by our local volunteers.

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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### **Nasheed and Qawwali Events**

In March 2022, MWF arranged more than 20 Naat events throughout the country. The events were hosted in collaboration with volunteers to engage the community, raise awareness and to fundraise for our flagship project, the Orphan Care Complex.

### **Sporting Events**

This year, we hosted multiple 'MWF T10 Cricket Blast' tournaments in the London and Yorkshire. MWF engaged the local community to cricket teams to play in each tournament, and volunteers to support us for food and drinks. This enabled us to reach a grassroots level audience.

In the same way, we arranged and hosted 'MWF Score 4 An Orphan' Indoor Football Tournaments in the winter to raise awareness for our Orphan & Needy Projects.

We hope to continue expanding on such community events going forward

### **Online Events**

MWF hosted several online events during the year. In February 2022, we hosted an online event which we title the AGM 2022. This was an event in which we reflected on the previous year with our donors and volunteers, giving them an overview of our performance and a brief glimpse at our plans for the coming year. We also provided an update on the Orphan Care Complex and requested support for the project

During Ramadan, we hosted the 'IQRA - Global Qiraat Competition. Participants would recite the Holy Qur'an in front of a panel of judges during the last ten days of the month. We similarly hosted an Online Naat Factor during Rabi' al Awwal. This enabled us to reach a wider audience while furthering our goal of promoting Islamic values.

We also had virtual Eid get-togethers with volunteers to appreciate their efforts throughout our busiest campaign and during the month of Hajj, we hosted a 'Dhull Hijjah Podcast' series, furthering our goal of Islamic Education and community outreach

### **Crowdfunding**

The Fundraising and Donor Retention Team helped many donors set up crowdfunding pages on JustGiving in support of our various projects. This was an important new avenue of donations for us.

MWF also challenged donors to fundraise in their own ways. Donors and volunteers raised funds through Milad Desserts by baking and selling cakes. They also did their own activities to contribute to our 'Plant a Tree' campaign and 'Blood Bank' donations.

Similarly, we helped host a trek for charity in collaboration with Minhaj College Manchester (MCM). Donors and volunteers raised funds by asking their local communities to sponsor them to take on this challenge.

### **QURBAANI - JUNE/AUGUST 2021**

As part of its seasonal campaigns, to provide food to the poor and needy during the festive days of Eid (Hajj), MWF through its network of volunteers and programme team travel from the UK to support with the distribution of food to families in need. Our teams travel through difficult terrain in Kenya, Pakistan, Bangladesh, Nepal and India. More than 250,000 people benefitted from this HelpFeed programme.

### **ORPHAN CARE COMPLEX**

The Orphan care complex is our new flagship project situated on 10-acres of land with state-of-the-art facilities to accommodate 1,000 students, both boys and girls. This project will also provide educational facilities to 2,000 students. This project is a continuation of our Aghosh orphan houses where we provide support to orphans from poor and deprived backgrounds in Pakistan in

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022**

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a safe and secure environment. We want to develop this project as one of the largest projects in the sub-continent of this nature.

### **OUR GIRLS, OUR FUTURE PROJECT**

This initiative was to provide support to girls and young women from poor and deprived backgrounds in Pakistan in a safe and secure environment. The project is divided into phases, which includes a college which will facilitate 500 girls in more than 15 classrooms, providing them with accommodation, prayer area, mosque and water and sanitation facilities. In addition, the project will include classes for elder women to provide them training and skill sets to develop business ideas for them to become empowered.

### **AL A'ZAMIYYA INSTITUTE**

This will be an independent degree awarding institute which will be a grand centre of learning and education. The institute will specialise in Islamic Sciences, striving to produce honest, cultured, and qualified scholars for the prevalence of Islamic values. It will offer multi-faceted, future-oriented, and practical education in both religious and contemporary studies, including English language and literature.

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

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### FINANCIAL REVIEW

#### RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equate to approximately three to five months unrestricted expenditure. This provides sufficient funds to cover management and administrative and other related costs. Unrestricted funds were maintained at approximately this level throughout the year.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### GOVERNING DOCUMENT

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

#### RELATED PARTIES

The charity has a close relationship with its sister charity Minhaj-ul-Quran International, which is also a registered charity. Two of the charity's trustees were also trustees of the Minhaj-ul-Quran International although both charities are independent in their activities and financial matters.

### REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number  
1084057

#### Principle Address

30 Brindley Road  
City Park  
Manchester  
M16 9HQ

#### Trustees

M Naveed  
M Q Rauf  
R A Raza  
S Mursaleen  
M K Mahmood

#### Bankers

Natwest  
Piccadilly Circus Branch  
PO Box 4QQ  
19 Shaftesbury Avenue  
London  
W1A 4QQ

#### Auditors

Hadleys & Co.  
Ground Floor  
Import Building  
2 Clove Crescent  
London  
E14 2BE

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2022**

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

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

Approved by order of the board of trustees on 30 December 2022 and signed on its behalf by:

*M Khalid Mahmood*

.....

M K Mahmood - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MINHAJ-UL-QURAN WELFARE FOUNDATION**

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### **FINANCIAL REVIEW**

#### **OPINION**

We have audited the financial statements of Minhaj-Ul-Quran Welfare Foundation (the ‘charity’) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

#### **BASIS FOR OPINION**

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

#### **CONCLUSIONS RELATING TO GOING CONCERN**

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MINHAJ-UL-QURAN WELFARE FOUNDATION**

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

### **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 our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MINHAJ-UL-QURAN WELFARE FOUNDATION**

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### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MINHAJ-UL-QURAN WELFARE FOUNDATION**

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

### **USE OF OUR REPORT**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008, , and also the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Hadleys & Co.**

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Ground Floor

Import Building

2 Clove Crescent

London

E14 2BE

Date: 30.12.2022

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2022**

			2022	2021
Notes	Unrestricted funds (£)	Restricted funds (£)	Total funds (£)	Total funds (£)

**INCOME AND ENDOWMENTS FROM**

Donations and legacies	2	3,221,335	-	3,221,335	2,765,715
Other trading activities	3	96,234	-	96,234	43,625
Investment income	4	133,272	-	133,272	136,266
<b>Total</b>		<b>3,450,841</b>	<b>-</b>	<b>3,450,841</b>	<b>2,945,606</b>

**EXPENDITURE ON**

Raising funds	5	272,955	-	272,955	235,817
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**CHARITABLE ACTIVITIES**

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Orphan Care Home		486,770	-	486,770	227,314
Donations		151,177	-	151,177	179,126
Zakat		274,255	-	274,255	212,225
Qurbani		439,804	-	439,804	395,000
Water pumps		127,740	-	127,740	155,464
Emergency relief		229,815	-	229,815	143,965
Education		525,756	-	525,756	205,385
Staff costs		217,236	-	217,236	186,415
Dates Project		183,451	-	183,451	67,611
Other		103,031	-	103,031	120,756
<b>Total Expenditure</b>		<b>3,011,990</b>	<b>-</b>	<b>3,011,990</b>	<b>2,129,078</b>

NET INCOME		438,851	-	438,851	816,528
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**RECONCILIATION OF FUNDS**

Total funds brought forward		5,763,065	-	5,763,065	4,946,537
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>6,201,916</b>	<b>-</b>	<b>6,201,916</b>	<b>5,763,065</b>

**STATEMENT OF FINANCIAL POSITION  
AS OF 31 MARCH 2022**

			2022	2021	
	Notes	Unrestricted funds (£)	Restricted funds (£)	Total funds (£)	Total funds (£)

**FIXED ASSETS**

Tangible Assets	12	418,012	-	418,012	429,984
Investment property	13	1,534,849	-	1,534,849	1,529,201
		1,952,861	-	1,952,861	1,959,185

**CURRENT ASSETS**

Debtors	14	357,244	-	357,244	378,896
Cash at bank and in Hand		3,979,188	-	3,979,188	3,558,627
		4,336,432	-	4,336,432	3,937,523

**CREDITORS**

Amount falling due within one year	15	(87,377)	-	(87,377)	(133,643)
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NET CURRENT ASSETS		4,249,055	-	4,249,055	3,803,880
TOTAL ASSETS LESS CURRENT LIABILITIES		6,201,916	-	6,201,916	5,763,065
NET ASSETS		6,201,916	-	6,201,916	5,763,065

**FUNDS**

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Unrestricted funds					
General funds				6,201,916	5,763,065
Total Funds				6,201,916	5,763,065

The financial statements were approved by the Board of Trustees and authorised for issue on 30.12.2022 and were signed on its behalf by:

*M Khalid Mahmood*

M K Mahmood - Trustee

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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	2022	2021
Notes	Total funds (£)	Total funds (£)

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Cash generated from operations	1	432,769	712,796
Interest paid		(3,512)	(3,770)
Net cash provided by (used in) operating activities		429,257	709,026

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of tangible fixed assets		(3,367)	(5,368)
Purchase of investment property		(5,648)	(44,438)
Interest received		319	402
Net cash used in investing activities		(8,696)	(49,404)

Change in cash and cash equivalents in the reporting period		420,561	659,622
Cash and cash equivalents at the beginning of the reporting period		3,558,627	2,899,005
Cash and cash equivalents at the end of the reporting period		3,979,188	3,558,627

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 March 2022**

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

	2022	2021
	Total funds (£)	Total funds (£)
Net income for the reporting period (as per the statement of financial activities)	438,851	816,528
<b>Adjustments for:</b>		
Depreciation charges	15,338	16,311
Interest received	(319)	(402)
Interest paid	3,512	3,770
Decrease in debtors	21,652	5,531
(Decrease)/increase in creditors	(46,265)	(128,942)
<b>Net cash provided by (used in) operating activities</b>	<b>432,769</b>	<b>712,796</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.21 (£)	Cash Flow (£)	At 31.3.22 (£)
<b>Net Cash</b>	3,558,627	420,561	3,979,188
Cash at bank and in hand	3,558,627	420,561	3,979,188
<b>Total</b>	<b>3,558,627</b>	<b>420,561</b>	<b>3,979,188</b>

## **NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2022**

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### **1. ACCOUNTING POLICIES**

#### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charity, 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 Charities Act 2011. 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.

Long leasehold	- 2% on cost
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

#### **INVESTMENT PROPERTY**

Investment properties, for which fair value can be measured reliably without undue cost or effort, are measured at intervals with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

#### **TAXATION**

The charity is exempt from tax on its charitable activities.

## NOTES TO STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 March 2022

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### 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.

### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

### CREDITORS AND ACCRUALS

Creditors payable within one year and /or more than one year are recognised at the transactional price. Accruals are valued at the net cost, less any discounts offered.

### DEBTORS AND PREPAYMENTS

Debtors are receivable within one year and/or more than one year recognised at the transactional price. Prepayments are valued at the amount prepaid net of any discounts due.

## 2. DONATIONS AND LEGACIES

	2022 (£)	2021 (£)
Donations	3,168,910	2,703,369
Gift Aid	52,425	62,346
	<b>3,221,335</b>	<b>2,765,715</b>

## 3. OTHER TRADING ACTIVITIES

	2022 (£)	2021 (£)
Fundraising events	96,234	43,625

#### 4. INVESTMENT INCOME

	2022 (£)	2021 (£)
Rents received	132,953	135,864
Deposit account interest	319	167
Gift Aid Interest	-	235
	<b>133,272</b>	<b>136,266</b>

#### 5. RAISING FUNDS

##### RAISING DONATIONS AND LEGACIES

	2022 (£)	2021 (£)
Fundraising and events costs	86,055	47,505
Advertising and postage costs	152,530	128,315
Staff costs	34,370	59,997
	<b>272,955</b>	<b>235,817</b>

#### 6. CHARITABLE ACTIVITIES COSTS

	Direct Cost (£)	Support costs (See note 6)	Total (£)
Orphan Care Home	486,770	-	486,770
Donations	151,177	-	151,177
Zakat	274,255	-	274,255
Qurbani	439,804	-	439,804
Water pumps	127,740	-	127,740
Emergency relief	229,815	-	229,815
Education	525,756	-	525,756
Staff costs	108,612	108,624	217,236
Dates project	183,451	-	183,451
	<b>2,527,380</b>	<b>108,624</b>	<b>2,636,004</b>

#### 7. SUPPORT COSTS

	Management (£)	Finance (£)	Other (£)	Governance costs (£)	Total (£)
Others resources expended	78,031	3,512	15,338	6,150	103,031
Staff costs	108,624	-	-	-	108,624
	<b>186,655</b>	<b>3,512</b>	<b>15,338</b>	<b>6,150</b>	<b>211,655</b>

## 8. TRUSTEES' REMUNERATION AND BENEFITS

Except for those already disclosed in the related party note, there were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

## 9. STAFF COSTS

	2022 (£)	2021 (£)
Wages and salaries	212,328	181,758
Other pension costs	4,908	4,657
	<b>217,236</b>	<b>186,415</b>

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

	2022	2021
Direct charitable operations	5	5
Fundraising and advertising	3	3
Administration	4	4
	<b>12</b>	<b>12</b>

No employees received emoluments in excess of £60,000.

## 10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Fund (£)	Restricted Funds (£)	Total Funds (£)
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2,765,715	-	2,765,715
Other trading activities	43,625	-	43,625
Investment income	136,266	-	136,266
Total	2,945,606	-	2,945,606
<b>EXPENDITURE ON</b>			
Raising funds	235,817	-	235,817
<b>CHARITABLE ACTIVITIES</b>			
Orphan Care Home	227,314	-	227,314
Donations	179,126	-	179,126

Zakat	212,225	-	212,225
Qurbani	395,000	-	395,000
Water pumps	155,464	-	155,464
Emergency relief	143,965	-	143,965
Education	205,385	-	205,385
Staff costs	186,415	-	186,415
Dates Project	67,611	-	67,611
Other	120,756	-	120,756
<b>TOTAL EXPENDITURE</b>	<b>2,129,078</b>	<b>-</b>	<b>2,129,078</b>
NET INCOME	<b>816,528</b>	<b>-</b>	<b>816,528</b>

#### RECONCILIATION OF FUNDS

Total funds brought forward	4,946,537	-	4,946,537
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>5,763,065</b>	<b>-</b>	<b>5,763,065</b>

## 11. DONATION DISCLOSURE BY PARTNER

During the year, the charity received sums from other partnering charities in various countries. Each partner is a separate entity reporting locally in its respective country. The amount transmitted to the charity is to be applied to the charity's projects.

## 12. TANGIBLE FIXED ASSETS

<b>COSTS</b>	Long Leasehold (£)	Fixture & Fittings (£)	Computer Equipment (£)	Total (£)
At 1 April 2021	1,653,147	12,240	121,901	1,787,288
Additions	-	2,118	1,249	3,367
At 31 March 2022	1,653,147	14,358	123,150	1,790,655

#### DEPRECIATION

At 1 April 2021	1,244,886	6,621	105,797	1,357,304
Charge for year	9,067	1,934	4,338	15,339
At 31 March 2022	1,253,953	8,555	110,135	1,372,643

#### NET BOOK VALUE

At 31 March 2022	399,194	5,803	13,015	418,012
At 31 March 2021	408,261	5,619	16,104	429,984

### 13. INVESTMENT PROPERTY

#### FAIR VALUE

At 31 March 2021	1,529,201
Additions	5,648
At 31 March 2022	1,534,849

#### NET BOOK VALUE

At 31 March 2022	1,534,849
At 31 March 2021	1,529,201

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

	2022 (£)	2021 (£)
Trade debtors	309,345	284,841
Other debtors	45,245	29,102
Prepayments and accrued income	2,654	64,953
	<b>357,244</b>	<b>378,896</b>

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

	2022 (£)	2021 (£)
Trade creditors	50,850	107,950
Other creditors	36,527	25,693
	<b>87,377</b>	<b>133,643</b>

### 15. MOVEMENT IN FUNDS

#### UNRESTRICTED FUNDS

General Funds

#### TOTAL FUNDS

At 1.4.21 (£)	Net movement in funds (£)	At 31.3.22 (£)
5,763,065	438,851	5,699,934
<b>5,763,065</b>	<b>438,851</b>	<b>6,201,916</b>

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

#### UNRESTRICTED FUNDS

General Funds

#### TOTAL FUNDS

Incoming Resources (£)	Resources expended (£)	Movement in funds (£)
3,450,841	(3,011,990)	438,851
<b>3,450,841</b>	<b>(3,011,990)</b>	<b>438,851</b>

**COMPARATIVES FOR MOVEMENT IN FUNDS**

At 1.4.20 (£)	Net movement in funds (£)	At 31.3.21 (£)
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**UNRESTRICTED FUNDS**

General Funds

4,946,537	816,528	5,763,065
<b>4,946,537</b>	<b>816,528</b>	<b>5,763,065</b>

**TOTAL FUNDS**

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

Incoming Resources (£)	Resources expended (£)	Movement in funds (£)
------------------------	------------------------	-----------------------

**UNRESTRICTED FUNDS**

General Funds

2,945,606	(2,129,078)	816,528
<b>2,945,606</b>	<b>(2,129,078)</b>	<b>816,528</b>

**TOTAL FUNDS**

A current year 12 months and prior year 12 months combined position is as follows:

At 1.4.20 (£)	Net movement in funds (£)	At 31.3.22 (£)
---------------	---------------------------	----------------

**UNRESTRICTED FUNDS**

General Funds

4,946,537	1,255,379	6,201,916
<b>4,946,537</b>	<b>1,255,379</b>	<b>6,201,916</b>

**TOTAL FUNDS**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

Incoming Resources (£)	Resources expended (£)	Movement in funds (£)
------------------------	------------------------	-----------------------

**UNRESTRICTED FUNDS**

General Funds

6,396,447	(5,141,068)	1,255,379
<b>6,396,447</b>	<b>(5,141,068)</b>	<b>1,255,379</b>

**TOTAL FUNDS****17. CONTINGENT LIABILITIES**

The Charity had no contingent liabilities as at 31 March 2022 nor at 31 March 2021.

## **18. RELATED PARTY DISCLOSURES**

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The charity has a close relationship with its sister charity Minhaj-ul-Quran International, which is also a registered charity. One of the charity's trustees were also trustees of the Minhaj-ul-Quran International, although both charities are independent in their activities and financial matters.

Minhaj College Manchester is an Academy, which has been incorporated as a private company limited by guarantee. The charity is the foundation/sponsor for this Academy and has congruent objectives which assist in the educational charitable activities. During the year, the charity provided use of the Charity's long leasehold property as offices for the Academy, as a donation in kind.

## **19. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.



**Minhaj**  
Welfare Foundation

**MINHAJWELFARE.ORG**