



# Audited Financial Statements 2017-18



**Minhaj**  
Welfare Foundation






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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.

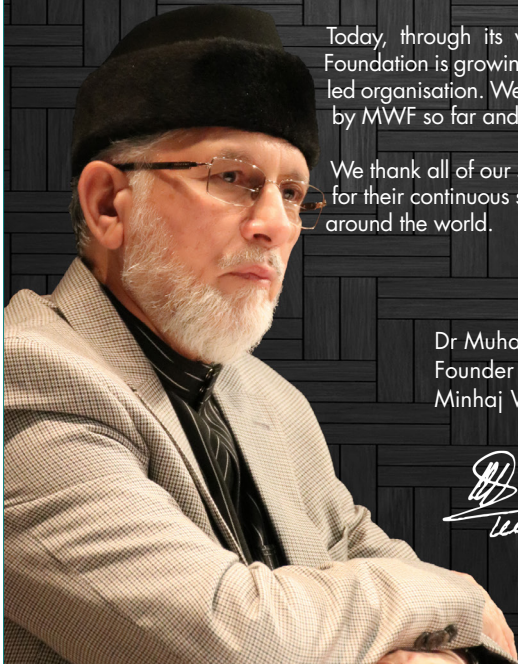
MWF strongly adheres to the philosophy that education should be supplemented with rigorous moral and ethical training so that the students make a positive contribution to the development of their communities.

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



# MWF WORLDWIDE



**Iraq**  
Food P  
Eid Gift  
Season

**Palestine** –  
Student Sponsors  
Medical Aid  
Eid Gifts  
Qurbani  
(Ongoing Projects)

**Sudan** –  
Education  
Water & Sanitation  
Health Care  
Sustainable Living  
(Ongoing Projects)

**Haiti**  
Emergency Relief  
Education  
Food & Shelter  
(Ongoing Projects)

**MILLIONS**  
Fed through “**Help Feed**” Projects



**7300+**  
Clean Water Facilities



**HEALTHCARE**  
Medical Dispensaries, Medical Camps  
Ambulance Services, Free Eye Surgery Camps



**RAISE A FAMILY 1500+**  
1500+ Families Start up Support Programs







**1000+**

Orphan & Needy Sponsorships



**AGHOSH & BAIT-UZ-ZAHRA**

Orphan Care Homes



**150,000+** Student Scholarships

**640+** Schools/Colleges

**1** Chartered University



**EMERGENCY RELIEF** Syria, Palestine, Kashmir, India, Pakistan, Haiti, Bangladesh, Rohingya, Nepal, Iran, Indonesia, Kenya, Somalia, Japan etc.

*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

<p>For UK (<b>GBP - £</b>)</p> <p>Bank Name: <b>HSBC</b></p> <p>Sort Code: <b>40-15-17</b></p> <p>Account No.: <b>21 65 18 03</b></p> <p>IBAN No.: <b>GB95 MIDL4015 1721 6518 03</b></p> <p>SWIFT: <b>MIDLGB211 4H</b></p>	<p>For EUROPE (<b>EURO - €</b>)</p> <p>Bank Name: <b>Barclays Bank Plc</b></p> <p>Sort Code: <b>20-82-14</b></p> <p>Account No.: <b>74 80 04 55</b></p> <p>IBAN No.: <b>GB32 BARC 208214 7480 0455</b></p> <p>SWIFT: <b>BARCGB22</b></p>	<p>For US (<b>DOLLAR - \$</b>)</p> <p>Bank Name: <b>Barclays Bank Plc</b></p> <p>Sort Code: <b>20-82-14</b></p> <p>Account No.: <b>87 70 95 33</b></p> <p>IBAN No.: <b>GB79 BARC 208214 8770 9533</b></p> <p>SWIFT: <b>BARCGB22</b></p>
<b>TELEPHONE DONATIONS</b>	<b>CHEQUES BY POST</b>	<b>ONLINE DONATIONS</b>
<p>To make a donation over the phone using your debit/credit card, please call us directly on:</p> <p>0300 30 30 777 (UK) +44 20 3375 4730 (INT.) 1-888-9-646425 (US/CA)</p>	<p>Please make cheques payable to <b>MWF</b> and post to</p> <p><b>Minhaj Welfare Foundation, 30 Brindley Road, Manchester, M16 9HQ</b></p>	<p>Visit our website <b>minhajwelfare.org</b></p>

Registered Charity Numbers: England & Wales 1084057 Scotland SC043566

Implemented Projects on behalf of



## **REPORT OF THE TRUSTEES**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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The trustees present their report with the financial statements of the charity for the year ended 31 March 2018. 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).

## **REFERENCE AND ADMINISTRATIVE DETAILS**

Registered Charity number  
1084057 England & Wales  
SC043566 Scotland

### **Principle Address**

30 Brindley Road City Park  
Manchester  
M16 9HQ

### **Trustees**

D Hussain  
M Naveed  
M Q Rauf  
R A Raza  
S Mursaleen

### **Bankers**

#### **Natwest**

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

### **Independent auditors**

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



## **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 and amended on the 7th December 2000 and registered with the Charity Commission on the 11th December 2000. 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 the 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 South Asia, Middle East, Africa 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 education for the public benefit concerning the teachings and religion of Islam; and
- d) The advancement of the faith and religious practices of Islam.

### **SIGNIFICANT ACTIVITIES**

The principal activity of the charity during the period was the advancement of the faith and religious practices of Islam. The advancement of education for the public benefit concerning the

## **REPORT OF THE TRUSTEES**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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teachings and religion of Islam. For 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. The advancement of other charitable purposes for the benefit of the public, with a preference for Muslims, to provide recreational facilities and activities in the interests of social welfare with the object of improving the conditions of life for those persons in need of such facilities.

### **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**

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.

Over the year new administrative and data management tools have been introduced which in turn are allowing us to develop a closer relationship with our donors.

Our media campaign was run through various Sky digital TV channels and radio stations across the UK to help promote all our campaigns including our seasonal Ramadan and Qurbani campaigns.

#### **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 further expanded its Water for All program Pakistan and Kenya. MWF built more than 1500 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.

MWF believes that by providing access 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

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

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securing an income for their families and growing food

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

Minhaj Welfare Foundation has been actively working in Pakistan since 1989. With donors' help, MWVF 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 program 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 program (which includes financial, educational and living support).
- 2. HELPFEED (FOOD SECURITY):** providing food parcels, Iftar, hot meals during Ramadan, Rabi-ul-Awwal and other programs throughout the year.
- 3. EDUCATION FOR ALL:** providing scholarships to students at schools and universities.
- 4. OUR FAMILIES (SHELTER):** Rehabilitating and providing homes for poor and needy families.
- 5. EMERGENCY RELIEF:** Minhaj Welfare Foundation is always responding to all major disasters and crisis in Pakistan
- 6. INFRASTRUCTURE DEVELOPMENT (BUILDING):** Establishing schools, dispensaries, halls, mosques, vocational training centres
- 7. HEALTHCARE:** supporting dispensaries, carrying out mobile clinics, covering the surgical costs for needy patients

### KENYA: MINHAJ SECONDARY SCHOOL - APRIL 2017/DECEMBER 2017

The Minhaj Secondary School Kitere is located in one of the poorest regions in the country on the border of Kenya/Somalia in the North Eastern region of Africa. The people are farmers, who mainly rely on harvesting to ensure they can support their family. MWVF has committed an annual educational bursary for the school to facilitate teachers' wages, educational resources (including books, exam preparations, etc) and meals.

### LET'S REVIVE: UK PROJECTS

Through the Let's Revive project, MWVF has been supporting various UK based educational, youth and research initiatives over the year.

One of the main flagship projects include the Fareed-e-Millat Research Institute UK which is a team of UK based scholars who work on research and translation of both traditional and contemporary books written in Urdu, Arabic into English. The books are then used by schools, Islamic seminaries,



## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018**

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universities, students and teachers alike all over the world.

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 provided facilities to MCM as well as donating towards the project.

We are a sponsor for Minhaj Education Trust (MET) which is seeking to establish an academy trust. MET has been setup with the view to open primary and secondary schools as part of the Governments Free School scheme.

### **HOPE FOR ROHINGYA - AUGUST 2017/JANUARY 2018**

In August 2017, more than a million Rohingyas fled their homes to neighbouring Bangladesh. The refugees settled in world's largest displacement camps in Cox's Bazaar. The majority of the people, mainly women, children and elderly, were sleeping in the open air without shelter and basic essentials (such as food, water and sanitation).

MWF launched the Hope for Rohingya emergency campaign to provide emergency aid to the refugees living in the camps. Through our local MWF volunteers in Cox's Bazaar, Bangladesh, MWF was able to initiate an immediate response and assess the situation on the ground.

In October and November 2017, the MWF team visited the refugee camp and oversaw the distribution of food parcels, building of shelter homes, construction of water pumps, and established a long term medical camp.

In January 2018, the team once again visited Cox's Bazaar in Bangladesh to oversee the progress made by the local team and impact of donations made by the donors of MWF.

### **QURBANI - AUGUST/SEPTEMBER 2017**

Minhaj Welfare Foundation's team travelled to the poorest and deprived regions of the third world to distribute food to the less fortunate in Kenya, Pakistan, Bangladesh, Nepal (Rohingya refugees) and India.

Qurbani is a constant reminder of our religious obligation to share the blessings of sacrifice with the less fortunate.

## **SUPPORTING THE PEOPLE OF SYRIA**

The MWF team visited the Turkey/Syria border to distribute food and non-food items to displaced Syrian refugees living in the Hatay Province in Turkey. More than 400 food parcels were distributed to families living in make-shift homes and camps. The food parcels are enough food security for an entire month.



## **EID GIFTS DISTRIBUTION (PAKISTAN) - JULY 2017**

Tharparkar, Pakistan is one of the most densely populated areas in the world. Climate change is posing further risks leading to droughts devastating the region, with reports of children dying due to malnutrition and waterborne diseases. Through MWF's ongoing intervention in the region (including building clean and safe water facilities), MWF supported more than 200 families with Eid Gifts, this included food and non-food items with toys for young children

## **NEPAL: REBUILDING LIVES AND OPENING THE NEW CLASSROOMS**

Due to the nature of poverty and recent disasters in Nepal, MWF's focus in the region has been to provide access to quality education, improve food security and livelihood status of poor, socially excluded and vulnerable men and women.

One of the most notable aspects that we found was that a number of children did not have access to education or were being forced to drop out of school due to lack of schools and classrooms.

Minhaj Welfare Foundation believes that one of the main stepping stones to take people out of poverty is education and ensuring that children have access to quality education. This is one of the reasons why MWF initiated rebuilding of classrooms in a remote village outside Kathmandu. The school was built using standard government-approved model for building schools in Nepal.

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2018

Working with a local partner, the refurbished classrooms are equipped with an earthquake-proof structure.

The classrooms would enable the school to provide facilities for more students to gain access to education.



## 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.

## **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.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2018 - CONTINUED**

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Approved by order of the board of trustees on 16 January 2019 and signed on its behalf by:



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Dawood Hussain - Trustee

## **OPINION**

We have audited the financial statements of Minhaj-Ul-Quran Welfare Foundation (the 'charity') for the year ended 31 March 2018 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'.

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act, 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.

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the charity's affairs as at 31 March 2018 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 the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us 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 charity'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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Act 2011 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.

## **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**

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.

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 Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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.



Hadley & 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

16 January 2019

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2018**

			2018	2017
Notes	Unrestricted funds (£)	Restricted funds (£)	Total funds (£)	Total funds (£)

**INCOME AND ENDOWMENTS FROM**

Donations and legacies	2	2,884,014	-	2,884,014	2,215,360
Investment income	3	104,763	-	104,763	88,313
<b>Total</b>		<b>2,988,777</b>	<b>-</b>	<b>2,988,777</b>	<b>2,303,673</b>

**EXPENDITURE ON**

Raising funds	4	274,839	-	274,839	290,087
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**Charitable activities** 5

Orphan Care Home		268,961	-	268,961	276,847
Donations		161,593	-	161,593	245,769
Zakat		175,012	-	175,012	141,729
Qurbani		357,872	-	357,872	337,876
Water pumps		186,478	-	186,478	157,085
Emergency relief		112,382	-	112,382	59,830
Education		271,850	-	271,850	154,376
Staff costs		227,907	-	227,907	57,852
Other		115,618	-	115,618	155,410
<b>Total Expenditure</b>		<b>2,152,512</b>	<b>-</b>	<b>2,152,512</b>	<b>1,876,861</b>

NET INCOME		836,265	-	836,265	426,812
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**RECONCILIATION OF FUNDS**

Total funds brought forward		2,678,477	2,678,477	2,251,665
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,514,742</b>	<b>3,514,742</b>	<b>2,678,477</b>



**STATEMENT OF FINANCIAL POSITION**  
**AT 31 MARCH 2018**

				2018	2017
	Notes	Unrestricted funds (£)	Restricted funds (£)	Total funds (£)	Total funds (£)
<b>FIXED ASSETS</b>					
Tangible Assets	11	462,446	-	462,446	1,649,979
Investment property	12	1,460,164	-	1,460,164	-
		1,922,610	-	1,922,610	1,649,979
<b>CURRENT ASSETS</b>					
Debtors	13	131,200	-	131,200	136,786
Cash at bank and in Hand		1,612,238	-	1,612,238	956,057
		1,743,438	-	1,743,438	1,092,843
<b>CREDITORS</b>					
Amount falling due within one year	14	(151,306)	-	(151,306)	(64,345)
NET CURRENT ASSETS		1,592,132	-	1,592,132	1,028,498
TOTAL ASSETS LESS CURRENT LIABILITIES		3,514,742	-	3,514,742	2,678,477
NET ASSETS		3,514,742	-	3,514,742	2,678,477
<b>FUNDS</b>					
Unrestricted funds					
General funds				3,514,742	2,678,477
Total Funds				3,514,742	2,678,477

The financial statements were approved by the Board of Trustees on 16 January 2019 and were signed on its behalf by:



Dawood Hussain - Trustee

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	2018	2017
Notes	Total funds (£)	Total funds (£)

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Cash generated from operations	1	949,964	571,739
Interest paid		(4,371)	(12,481)
Net cash provided by (used in) operating activities		945,593	559,258

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Purchase of tangible fixed assets		(30,352)	(331,357)
Purchase of investment property		(260,337)	-
Interest received		1,277	4,273)
Net cash provide d by (used in) investing activities		(289,412)	(327,084)

Change in cash and cash equivalents in the reporting period		656,181	232,174
Cash and cash equivalents at the beginning of the reporting period		956,057	723,883
Cash and cash equivalents at the end of the reporting period		1,612,238	956,057

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

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

	2018	2017
	Total funds (£)	Total funds (£)
Net income for the reporting period (as per the statement of financial activities)	836,265	426,812
Adjustments for:		
Depreciation charges	18,058	15,217
Interest received	(1,277)	(4,273)
Interest paid	4,371	12,481
Decrease in debtors	5,586	147,965
(Decrease)/increase in creditors	86,961	(26,463)
Net cash provided by (used in) operating activities	949,964	571,739



## **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 2015)', 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 the cost less estimated residual value of 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

### **TAXATION**

The charity is exempt from tax on its charitable activities.

## **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.

## **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.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 March 2018

### 2. DONATIONS AND LEGACIES

	2018 (£)	2017 (£)
Donations	2,796,052	2,113,891
Gift Aid	87,962	101,469
	2,884,014	2,215,360

### 3. INVESTMENT INCOME

	2018 (£)	2017 (£)
Rents received	103,486	84,040
Deposit account interest	44	3,034
Gift Aid Interest	1,233	1,239
	104,763	88,313

### 4. RAISING FUNDS

#### RAISING DONATIONS AND LEGACIES

	2018 (£)	2017 (£)
Fundraising and events costs	74,865	122,345
Advertising and postage costs	167,318	143,376
Staff costs	32,656	24,366
	274,839	290,087

### 5. CHARITABLE ACTIVITIES COSTS

	Direct Cost (£)	Support costs (See note 6)	Total (£)
Orphan Care Home	268,961	-	268,961
Donations	161,593	-	161,593
Zakat	175,012	-	175,012
Qurbani	357,872	-	357,872
Water pumps	186,478	-	186,478
Emergency relief	112,382	-	112,382
Education	271,850	-	271,850
Staff costs	146,747	81,160	227,907
	1,680,895	81,160	1,762,055



## 6. SUPPORT COSTS

	Management (£)	Finance (£)	Other (£)	Governance costs (£)	Total (£)
Others resources expended	88,339	4,371	18,058	4,850	115,618
Staff costs	81,160	-	-	-	81,160
	169,499	4,371	18,058	4,850	196,778

## 7. 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 2018 nor for the year ended 31 March 2017.

### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

## 8. STAFF COSTS

	2018 (£)	2017 (£)
Wages and salaries	244,255	122,534
Social security costs	14,955	6,661
Other pension costs	1,353	444
	260,563	129,639

### THE AVERAGE MONTHLY NUMBER OF EMPLOYEES DURING THE YEAR WAS AS FOLLOWS

	2018	2017
Direct charitable operations	9	7
Fundraising and advertising	5	3
Administration	4	4
	18	14

Staff salaries are split into the categories as above.  
 No employees received emoluments in excess of £60,000.

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Fund (£)	Restricted Funds (£)	Total Funds (£)
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2,215,360	-	2,215,360
Investment income	88,313	-	88,313
Total	2,303,673	-	2,303,673
<b>EXPENDITURE ON</b>			
Raising funds	290,087	-	290,087
<b>CHARITABLE ACTIVITIES</b>			
Orphan Care Home	276,847	-	276,847
Donations	245,769	-	245,769
Zakat	141,729	-	141,729
Qurbani	337,876	-	337,876
Water pumps	157,085	-	157,085
Emergency relief	59,830	-	59,830
Education	154,376	-	154,376
Staff costs	57,852	-	57,852
Other	155,410	-	155,410
<b>TOTAL EXPENDITURE</b>	<b>1,876,861</b>	<b>-</b>	<b>1,876,861</b>
NET INCOME	426,812	-	426,812
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	2,251,665	-	2,251,665
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>2,678,477</b>	<b>-</b>	<b>2,678,477</b>

## 10. DONATION DISCLOSURE BY PARTNER

During the year, the charity received £15,633 from Minhaj Welfare Foundation Canada. The 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.

## 11. TANGIBLE FIXED ASSETS

COSTS	Long Leasehold (£)	Fixture & Sitings (£)	Computer Equipment (£)	Total (£)
At 1 April 2017	1,639,505	-	100,297	1,739,802
Additions	13,642	5,144	11,566	30,352
At 31 March 2018	1,653,147	5,144	111,863	1,770,154

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 March 2018

### DEPRECIATION

At 1 April 2017	8,794	-	81,029	89,823
Charge for year	9,066	1,283	7,709	18,058
Reclassification/transfer	1,199,827	-	-	1,199,827
At 31 March 2018	1,217,687	1,283	88,738	1,307,708

### NET BOOK VALUE

At 31 March 2018	435,460	3,861	23,125	462,446
At 31 March 2017	1,630,711	-	19,268	1,649,979

## 12. INVESTMENT PROPERTY

### MARKET VALUE

Additions	260,337
Reclassification At	1,199,827
At 31 March 2018	1,460,164

### NET BOOK VALUE

At 31 March 2018	1,460,164
At 31 March 2017	-

Properties have been reclassified from land and buildings to long leasehold investment properties during the year.

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

	2018 (£)	2017 (£)
Trade debtors	29,503	15,774
Other debtors	101,697	121,012
	131,200	136,786

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

	2018 (£)	2017 (£)
Trade creditors	120,002	49,227
Other creditors	31,304	15,118
	151,306	64,345

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 March 2018**

**15. MOVEMENT IN FUNDS**

	At 1.4.17 (£)	Net movement in funds (£)	At 31.3.18 (£)
<b>UNRESTRICTED FUNDS</b>			
General Funds	2,678,477	836,265	3,514,742
<b>TOTAL FUNDS</b>	<b>2,678,477</b>	<b>836,265</b>	<b>3,514,742</b>

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

UNRESTRICTED FUNDS	Incoming Resources (£)	Resources expended (£)	Movement in funds (£)
General Funds	2,988,777	(2,152,512)	836,265
<b>TOTAL FUNDS</b>	<b>2,988,777</b>	<b>(2,152,512)</b>	<b>836,265</b>

**COMPARATIVES FOR MOVEMENT IN FUNDS**

	At 1.4.16 (£)	Net movement in funds (£)	At 31.3.17 (£)
<b>UNRESTRICTED FUNDS</b>			
General Funds	2,251,665	426,812	2,678,477
<b>TOTAL FUNDS</b>	<b>2,251,665</b>	<b>426,812</b>	<b>2,678,477</b>

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

UNRESTRICTED FUNDS	Incoming Resources (£)	Resources expended (£)	Movement in funds (£)
General Funds	2,303,673	(1,876,861)	426,812
<b>TOTAL FUNDS</b>	<b>2,303,673</b>	<b>(1,876,861)</b>	<b>426,812</b>

**16. CONTINGENT LIABILITIES**

The Charity had no contingent liabilities as at 31 March 2018 nor at 31 March 2017.



## **17. RELATED PARTY DISCLOSURES**

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.

The Charity works in close co-operation with other Minhaj-ul Quran Welfare Foundation charities worldwide. The relationship of these charities to Minhaj-ul-Quran Welfare Foundation in the UK is described in Note 10. The charity in the UK has common trustees with Minhaj Welfare Foundation Canada. Grants received from these charities during the year are disclosed in note 10 of these accounts. There are no donations to/from related parties which are outside the normal course of business and no restricted donations from related parties.

The trustee, Mr. D Hussain owns a property management company which manages one of the charity's investment properties, During the year the charity paid the company £1,219 as management fee.

Minhaj College Manchester is an Academy (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 seconded 3 of their employees to the Academy as donations in kind and also donated £74,836 via their educational donations to the Academy.

Minhaj Education Trust is an Academy (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 donated £7,000 via their education donations to the Academy.

