

2021 ANNUAL TRUSTEES' REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDING
31 MARCH 2021

The network of British Muslim Charities working
for social good in the UK and abroad

Registered Charity number: 1166149



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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Dr Hany Abdul Gawad El Banna OBE
Syed Lakthe Hassanain
Shuaib Yusaf
Tufail Hussain Khan
Madiha Raza
Jehangir Malik (Resigned April 2020)
Hameed El Asaly (Appointed October 2020)
Saffa Mir (Appointed April 2021)

Accountants

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

HSBC Bank plc
130 New Street
Birmingham
B2 4JU

Unity Trust Bank
9 Brindley Place
Birmingham
B1 2HB

Charity Registered number

1166149

Chief Executive Officer

Fadi Itani OBE

Principal Office

6 Whitehorse Mews
37 Westminster Bridge Road
London
SE1 7QD

Solicitors

Bates Wells
10 Queen Street Place
London
EC4R 1BE

CHAIRMAN'S FOREWORD

A Message from our Chairman

Dear Friends,

During the past 12 months, we have continued to fulfil our duty in representing the interests and improving the effectiveness of the Muslim NGO sector, through the uncertainties and pressure of the Covid19 pandemic on all global communities.

MCF has continued to represent members and the Muslim charity sector on the issues that affect them and their operations as NGOs.

For example, we have worked closely with colleagues at the Voluntary Community Sector Emergency Partnership (VCSEP) by leading and supporting on mobilisation of Muslim communities and charities across the UK, as well as added our voices to the UK Aid Cuts campaign affecting international development.



This year, we partnered with UK Community Foundations and The London Community Foundation to explore ways to encourage more Muslim-led charities to apply for funding, during the height of the pandemic. We were also proud to acquire funding from Comic Relief, National Emergencies Trust, Esmée Fairbairn and Clothworkers Foundation to distribute as Intermediary Partners through The Global Majority Fund.

MCF's membership has continued to grow and we look forward to welcoming new members into our community. The new members will benefit from their membership with MCF and will bring their own experiences that will assist in strengthening MCF, and the sector as a whole.

It is becoming so much more important to work together and discuss issues concerning the wider charitable and international development sector. MCF has provided such a platform in the past and I look forward to MCF leading the way in the future.

Yours sincerely,

Dr Hany El Banna OBE
Chairman

CHIEF EXECUTIVE OFFICER'S SUMMARY

A Message from our CEO

Dear Colleagues,

For the past 14 years, the Muslim Charities Forum (MCF) has helped British Muslim charities strengthen and develop their good work for those in need, through support, connection and representation.

In March 2020, the Covid19 global pandemic hit the UK, resulting in huge increase in need for aid and support for the UK's most vulnerable people. Across the world, Covid19 added extra challenges and risk to already severely disadvantaged people.

Through this last year, a year unlike any other so far, MCF has worked hard to bring British Muslim charities together, highlight their good work and ensure that they were able to access mainstream support to meet the changing needs.



During this year, we have adapted our services to respond to the emerging needs within local areas across the UK. BAME communities have been disproportionately affected by the Covid-19 pandemic, suffering higher rates of infection, poor mental health and financial insecurity. For refugee and those seeking asylum, the pandemic has also had a huge impact. Across the UK small-large grassroots organisations and NGOs responded to this need, despite declining income.

For INGOs, responding to the needs of vulnerable people across the world, Covid19 has also created extra pressure in their fight to protect some of the world's most vulnerable people. Since March 2020, we have responded to the crisis, with the philosophy of 'Together We Can'. The foundation for this approach was through ensuring we respond to real needs, as and when they happen.

MCF conducted a series of research, gathering information from across the UK, publishing our report 'Unmet Needs In The Community'. This was followed by our landmark report 'The Neighbours Next Door' highlighting the good work of Muslim-led charities and the barriers that they face in accessing mainstream support and funding. From this work, we have connected and built relationships with a range of funders including UKCF, The London Community Foundation, Barrow Cadbury and more recently, Comic Relief.

During the year, we have continued to support our members across five key areas of our work: capacity building, knowledge exchange, networking and cooperation, advocacy, and research. We also facilitated important conversations within the sector, between British Muslim INGOs and domestic Muslim charities, to improve mutual understanding and cooperation, alongside mainstream bodies and as part of our remit with the Voluntary Community Sector Emergency Partnership (VCSEP). We have continued representing the views and needs of the sector in meetings and consultations with a wide range of external stakeholders, such as the BAME Steering Group to Civil Minister. We have produced resources, hosted webinars and support around safeguarding, legacies, fundraising and GDPR.

2020 – 2021 has been a year of change and transition for MCF and I am proud of the way in which we have responded to unpredictable and unusual circumstance. We have welcomed new members to the team and sadly bid farewell to others who continue on their careers. I would like to thank previous and current staff, volunteers and the MCF's trustees for their dedication, commitment and support. I would also like to thank the numerous partners and external stakeholders who continue to work with us to improve the effectiveness of the British Muslim charitable sector and to nurture a constructive operating environment. And last, but by no means least, I would like to thank the MCF's members for their ongoing support and trust so that we can deliver on our vision to support British Muslim charities and INGOs in working for social good at home and abroad to transform lives for the better.

Yours sincerely,

Fadi Itani OBE

Chief Executive Officer



Overview

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In the UK, the MCF members respond to local crises and promote social welfare and greater cohesion by working with local communities.



A MESSAGE OF GRATITUDE

Thank you to our Members



Thank you to our Partners



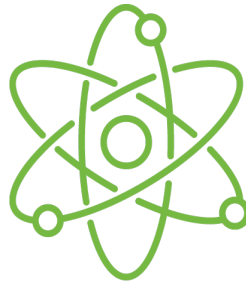
TRUSTEES' REPORT

Areas of Work



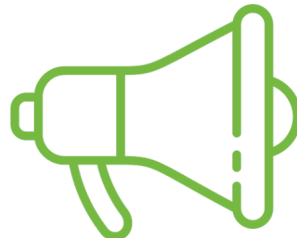
Support

We dedicate much of our efforts to offer our members opportunities to support their good work and provide practical and strategic support across a number of different areas related to their work. We do this by offering workshops specifically tailored and designed to the needs of British Muslim charities, facilitated by the MCF, and delivered by skilled professionals who are experts in their field. We produce a range of research reports, guides and resources to facilitate the development of charities, their areas of work and their staff skills.



Connect

Through our network, we aim to get the right people talking to each other and to promote the benefits of constructive working relations and cooperation between our members and with other charities, NGOs, regulatory bodies, civil society actors, and the academia. One of our top priorities is to provide thought leadership by: i) participating in relevant knowledge exchange platforms; and ii) enabling our members to keep up to date with the latest developments relevant to their work and with opportunities to share experiences, ideas and concerns. We do this by organising and participating in a number of relevant working groups, roundtables and conferences.



Represent

We listen to the needs and challenges of our members and we provide a voice and representation for the British Muslim charitable sector at a national level on advocacy platforms that are difficult to access for individual organisations. We do this by attending meetings and consultations with a wide range of relevant stakeholders, policy makers, campaign creators, regulatory bodies and representatives.

TRUSTEES' REPORT

Activities this Year

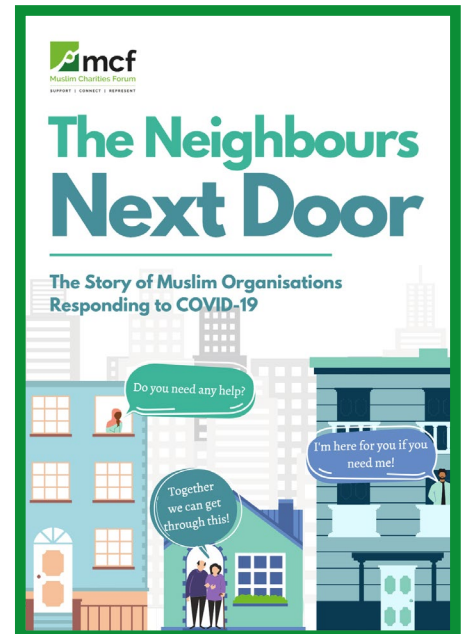
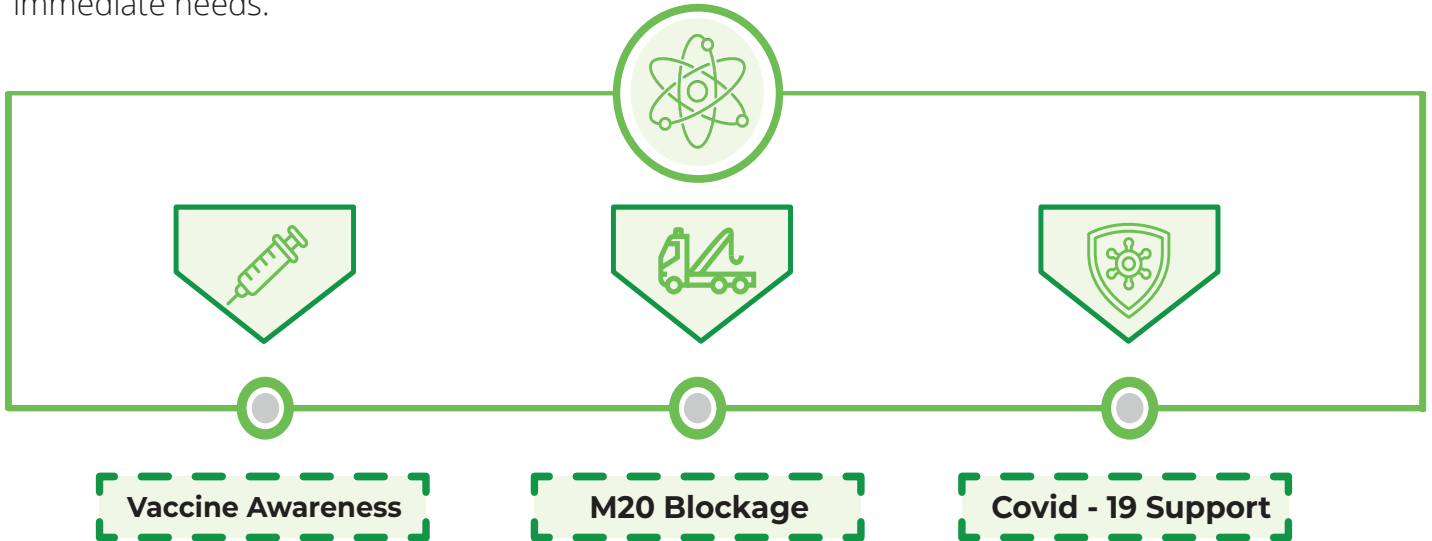
Support

We dedicated most of our efforts into organising and facilitating capacity building sessions on a variety of relevant topics, such as: safeguarding, financial compliance, grant funding, awareness raising, legacies and wills fundraising. We hosted webinars on the following areas with key professionals including the Foreign, Commonwealth and Development Office, the Charity Commission and the Fundraising Regulator:



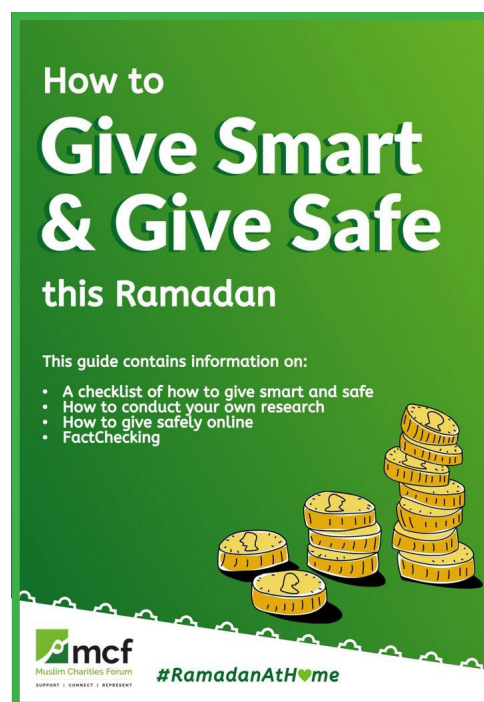
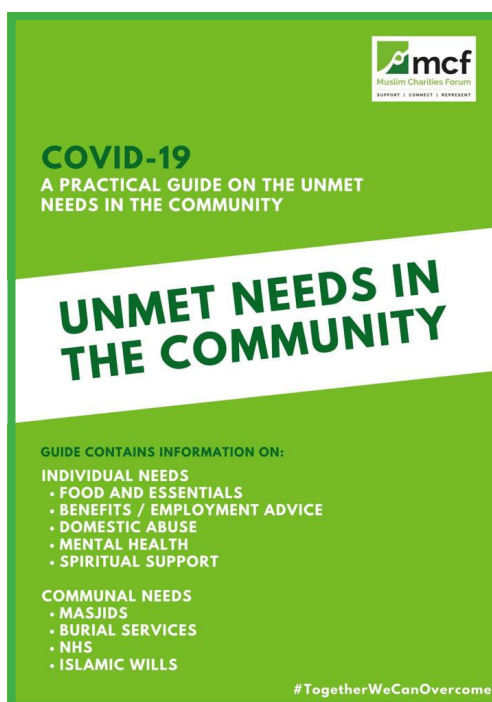
Connect

i. The Role of Faith Based Organisations in Mobilisation. As a member of the VCSEP, we coordinated a range of response activities to connect local Muslim organisations with larger charities to provide coordinated emergency response. This included vaccine awareness, surge testing training and deployment and a emergency response to distribute food and water to the Kent M20 stranded lorry drivers. In addition to regular regional meetings, we were able to conduct visits around the UK to key locations severely impacted by the Covid19 pandemic in order to deliver support and ascertain immediate needs.



ii. Access to Grant Funding as a Viable Income Stream. As part of our work with The London Community Foundation, we hosted a number of webinars and roundtables about the London Community Response Fund.

This strategic two-way learning partnership enabled Muslim-led charities to overcome the barriers preventing them from accessing crisis project and core cost funding. Through facilitation and specialised grant support, our roundtable also ensured that Muslim-led organisations could feedback their thoughts and experiences of accessing-mainstream funding, resulting in better understanding on the part of funders.



Represent

Mirroring the MCF's evolution, this year's networking events incorporated both an international and a domestic dimension, through the following essential representation:

- I.** MCF CEO, Fadi Itani continues to sit on the Voluntary and Community Sector Emergency Partnership (VCSEP) panel meetings. A coalition of different actors brought together to share information, experiences and improve the local capacity in responding to local, regional and national disasters.
- II.** MCF also sits on the Infrastructure Organisations meeting, which has 40 of the biggest umbrella organisations and charities from across the UK, its objective to support the sector and campaign collectively on issues affecting it.
- III.** Following the initial invitation from the Cabinet Office to attend the BME Charities Roundtable, MCF is now part of small group meeting, sharing our experiences advising the Civil Society Minister.
- IV.** MCF has become a member of the Equity Advisory Group of NET advising NET on improving its diversity work and its reach to BAME community organisations and charities.
- V.** Diversity Advisory Group of the UK Community Foundations which has 46 members across the country and currently is distributing NET funds.
- VI.** UK Aid Cuts -we added the voices of key members and MCF to the government's decision to reduce the international aid budget and the implications that this has for vulnerable communities abroad.
- VII.** Together With Refugees - MCF has joined this coalition to add our voice and highlight the needs and rights of refugees within the UK.
- VIII.** Homeless Link - We are delighted to have joined Homeless Link, the national organisation for charities on the frontline of homelessness, as a friend member to support the effort of making an inclusive, effective, and resilient UK homeless sector. Through our membership we can offer MCF charities discount on their first-year membership.

TRUSTEES' REPORT

Financial Review

Muslim Charities Forum received donations, grants and other income worth £513,023 compared to £183,266 in 2019/2020. At the end of the fiscal year 2020/2021 we brought forward a positive bank balance of £374,876

The statement of Financial Activities portrays that Muslim Charities Forum spent £237,707 on charitable activities.

Reserves Policy

It is the policy of MCF that unrestricted funds which have not been designated for a specific use should be maintained at a level which will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

It is also the MCF policy to hold sufficient funds, currently three months for administrative expenditures, or currently at £30,000, for closure of the charity should the need arise.

Risk management

The trustees continue to assess the major risks to which MCF is exposed to and are satisfied that systems are in place to mitigate the exposure to major risks. Currently, the charity relies wholly on its members for funding. The trustees have discussed this and recommended a diversification of its funding model through an increase in the number of members, seeking core funding from trusts and foundations as well as exploring support from philanthropists with a keen interest in developing the Muslim charity sector.

Exclusively Charitable Activities

The members come from a wide spectrum of social and charitable backgrounds. The organisations and NGOs who benefit from the implementation of the aims of MCF are diverse. All of their activities are regarded as "exclusively charitable" as defined by English law. The Board of Trustees assists charities and organisations whose aims and activities are all entirely "exclusively charitable". The Board of Trustees are fully aware of this requirement.

Public Benefit

As a charity, Muslim Charities Forum must be able to demonstrate that its objects and activities are for the public benefit as required by the Charities Act 2011. The Trustees have all reviewed the guidance issued by the Charity Commission on public benefit and have ensured that Muslim Charities Forum's objects and activities comply with this statutory requirement. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. This Report explains our main activities and achievements in carrying out our aims.

TRUSTEES' REPORT

Governance and internal control

The systems of internal control are designed to provide reasonable assurance against material mis statement or loss. They include:

1. A strategic plan and an annual budget approved by the Board of Trustees;
2. Regular consideration by the Board of Trustees of financial results, variance from budgets, non financial indicators and bench working reviews;
3. Delegation of authority and segregation of duties;
4. Monthly review of the financial ledgers;
5. Identification and management of risks (to the extent possible in an organisation of this size).

TRUSTEES' REPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, 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.

In so far as we are aware:

- There is no relevant audit information of which the charity'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.

Examiners

Haysmacintyre LLP were appointed Examiners to the charity and a resolution proposing that they be re appointed will be put to the Board of Trustees.

Approved by the Board of Trustees and signed on their behalf:

Dr Hany Abdul Gawad El Banna OBE
Chairman



Shuaib Yusaf
Treasurer



INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Muslim Charities Forum (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2021.

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. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner'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 Charity and the charity's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. Accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Murtaza Jessa FCA



Haysmacintyre LLP
10 Queen Street place
London
EC4R 1AG

Dated:

15 December 2021

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	250,023	262,500	513,023	183,266
TOTAL INCOME		250,023	262,500	513,023	183,266
EXPENDITURE ON:					
Charitable activities	3	188,011	49,696	237,707	212,883
TOTAL EXPENDITURE		188,011	49,696	237,707	212,883
NET MOVEMENT IN FUNDS		62,012	212,804	275,316	(29,617)
RECONCILIATION OF FUNDS:					
Total funds brought forward		84,836	26,376	111,212	140,829
TOTAL FUNDS CARRIED FORWARD		146,848	239,180	386,528	111,212

The notes on pages 13 to 23 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible Assets	9		158		236
CURRENT ASSETS					
Debtors	10	22,500		29,750	
Cash at bank and in hand		<u>374,876</u>		<u>94,081</u>	
		397,376		123,831	
CREDITORS: amounts falling due within one year	11	(11,006)		(12,855)	
NET CURRENT ASSETS			386,370		110,976
NET ASSETS			<u>386,528</u>		<u>111,212</u>
CHARITY FUNDS					
Restricted funds	12		239180		26,376
Unrestricted funds	12		146848		84,836
TOTAL FUNDS			<u>386,528</u>		<u>111,212</u>

The financial statements were approved by the Trustees on and signed on their behalf, by:

Dr Hany Abdul Gawad El Banna OBE Chairman



The notes on pages 13 to 23 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Muslim Charities Forum constitutes a public benefit entity as defined by FRS 102.

1.2 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.4 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 33% on net book value
Computer equipment	- 33% on net book value

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	-	-	1,400
Projects & other Income	136,273	262,500	378,333	23,866
Membership income	114,250	-	114,250	158,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total Donations & legacies	250,523	262,500	513,023	183,266
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2020	164,266	19,000	183,266	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. DIRECT COSTS – CURRENT YEAR

	Governance £	Activities £	Total 2021 £	Total 2020 £
Wages, salaries & social security	-	86,020	86,020	93,980
Depreciation	-	78	78	118
Sundries	-	-	-	-
Travel and subsistence	-	66	66	559
Bank charges	-	336	336	239
Membership fees	-	172	172	877
Rent, insurance & utilities	-	11,842	11,842	19,638
Telephone, email & fax	-	132	132	-
Printing, postage, & stationary	-	3,269	3,269	5,246
Meeting expenses	-	-	-	683
Professional & legal	3,600	1,013	4,613	49,808
Project expenses	-	131,179	131,179	41,735
IT Website	-	-	-	-
	<u>3,600</u>	<u>234,107</u>	<u>237,707</u>	<u>212,883</u>

Direct Costs – Prior Year

	Governance £	Activities £	Total 2020 £
Wages, salaries & social security	-	93,980	93,980
Depreciation	-	118	118
Sundries	-	-	-
Travel and subsistence	-	559	559
Bank charges	-	239	239
Membership fees	-	877	877
Staff training & recruitment	-	-	-
Rent, insurance & utilities	-	19,638	19,638
Telephone, email & fax	-	-	-
Printing, postage, & stationary	-	5,246	5,246
Meeting expenses	-	683	683
Professional & legal	4,060	45,748	49,808
Project expenses	-	41,735	41,735
IT Website	-	-	-
Annual Humanitarian Awards	-	-	-
	<u>4,060</u>	<u>208,823</u>	<u>212,883</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

4. GOVERNANCE COSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Governance	<u>3,600</u>	<u></u>	<u>3,600</u>	<u>4,060</u>

5. ANALYSIS OF EXPENDITURE-BY-EXPENDITURE TYPE

	Total 2021 £	Total 2020 £
Charitable Activities:	234,107	208,823
Expenditure on governance	<u>3,600</u>	<u>4,060</u>
	<u>237,707</u>	<u>211,883</u>

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets: - owned by the charity	<u>78</u>	118

During the year, no Trustees received any remuneration (2020 £NIL).

During the year, no Trustees received any benefits in kind (2020 £NIL).

During the year, no Trustees received any reimbursement of expenses (2020 £NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £3,600 including VAT (2020 £3,480).

8. STAFF COSTS

The average number of persons employed by the charity during the year was 2 (2020: 2).

One employee received remuneration between £60,000 and £70,000 in the year and in 2020.

9. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 April 2020 and 31 March 2021	<u>1,970</u>	<u>9,195</u>	<u>11,165</u>
Depreciation			
At 1 April 2020	1,901	9,028	10,929
Charge for the year	<u>23</u>	<u>56</u>	<u>78</u>
At 31 March 2021	<u>1,924</u>	<u>9,084</u>	<u>11,008</u>
Net book value			
At 31 March 2021	<u>46</u>	<u>111</u>	<u>157</u>
At 31 March 2020	<u>68</u>	<u>167</u>	<u>236</u>

10. DEBTORS

	2021 £	2020 £
Trade debtors	<u>22,500</u>	<u>29,750</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

11. CREDITORS

	2021 £	2020 £
Trade creditors	3,950	2,936
Other taxation and social security	1,806	4,789
Accruals & deferred Income	5,250	5,130
	<u>11,006</u>	<u>12,855</u>

12. STATEMENT OF FUNDS STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General Funds	84,836	250,523	(188,011)	127,348
Restricted Funds				
SAKHAA Grant	23,876	-	(23,876)	-
Covid-19 Campaign	2,500	-	(2,500)	-
Barrow Cadbury Trust	-	12,500	-	12,500
Global Majority Fund	-	250,000	(3,320)	246,680
	<u>111,212</u>	<u>513,023</u>	<u>(237,707)</u>	<u>386,528</u>
Total of Funds	<u>111,212</u>	<u>513,023</u>	<u>(237,707)</u>	<u>386,528</u>

Description of Restricted Funds

Barrow Cadbury Trust: is a restricted donation to map Muslim organisations in the UK, their contributions and challenges with a view to strengthen the sector as a whole.

Global Majority Fund: the funding is co-financed by Comic Relief and National Emergencies trust in relation to specific terms set out by the donor.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
Unrestricted funds				
General Funds - all funds	96,953	164,266	(176,383)	84,836
Restricted Funds				
SAKHAA Grant	43,876	-	(20,000)	23,876
UK Floods Response	-	16,500	(16,500)	-
Covid - 19 Campaign	-	2,500	-	2,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total of Funds	<u>140,829</u>	<u>183,266</u>	<u>(212,883)</u>	<u>111,212</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	158	-	158
Current assets	250,528	146,848	397,376
Creditors due within one year	(11,006)	-	(11,006)
	<hr/>	<hr/>	<hr/>
	<u>239,680</u>	<u>146,848</u>	<u>386,528</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	236	-	236
Current assets	97,455	26,376	123,831
Creditors due within one year	(12,855)	-	(12,855)
	<u>84,836</u>	<u>26,376</u>	<u>111,212</u>

14. RELATED PARTY TRANSACTIONS

	Received £	Paid £	Balance at year end £
Zakat House	-	10,850	-
Human Appeal	28,000	-	-
Islamic Relief UK	25,500	-	-
Muslim Hands	25,500	-	-
Al Khair Foundation	25,500	-	-
	<u>104,500</u>	<u>10,850</u>	<u>-</u>

The charity has received funds or made payment to other organisations where the Trustees have involvement as follows:

Zakat House Dr. Hany El Banna is a trustee and the MCF Chair.

Human Appeal – Hameed El Asaly is a Director and an MCF trustee

Islamic Relief UK Tufail Hussain is the UK Director and an MCF Trustee.

Muslim Hands Syed Lakthe Hassanain is the Chairman and an MCF Trustee.

Al Khair Foundation Mr Shuaib Yusaf is the Chief Executive and the MCF Treasurer.

Muslim Charities Forum

6 Whitehorse Mews
37 Westminster Bridge Road
London
SE1 7QD
United Kingdom

Info@muslimcharitiesforum.org.uk
www.muslimcharitiesforum.org.uk

Registered Charity Number: 1166149