
THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 MARCH 2021**

Trustees	Mr H Al-Aloom Mr H Al-Hakeem Mr M Marashi (Chair)
Charity registered number	1166017
Principal office	Office 11, Abji Bapashree House 211 Kingsbury Road London NW9 8AQ
CIO Number	CH006901
Executive Trustee	Mr H Al-Hakeem
Independent auditors	MHA MacIntyre Hudson Statutory Auditor 6th Floor 2 London Wall Place London EC2Y 5AU
Bankers	Barclays Bank PLC 75 King Street Hammersmith London W6 9HY
Solicitors	BDB Pitmans 50 Broadway Westminster London SW1H 0BL

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

The Trustees present their report and the financial statements of the Charity for the year ended 31 March 2021.

Structure, governance, and management

The Mainstay Foundation is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission for England and Wales on 11 March 2016 with the registered Charity number 1166017.

Governing Document

The governing document of The Mainstay Foundation is its Charitable Incorporated Constitution (CIO), adopted on 11 March 2016, which contains the Charity's charitable objectives (to which it must adhere) and sets out various rules and procedures for the running of the Charity.

Organisation Structure

As a charitable incorporated organisation, the board of Trustees are responsible for the oversight and strategic direction, which includes management and control of the annual work plan, annual budget and the establishment and review of policies and procedures of the Charity. More specifically, the board of Trustees are responsible for:

- Ensuring that the Charity has a clear vision, mission and strategic direction and is focused on achieving these (Strategic Responsibility).
- To control delegated authority to Committees and staff (Control Responsibility).
- To be responsible for the performance of the Charity (Performance Responsibility).
- To ensure that the Charity complies with all legal and regulatory requirements (Compliance Responsibility).
- To act as guardians of the Charity's assets, both tangible and intangible, taking all due care over their security, deployment, and proper application (Responsibility to Safeguard the Assets).
- To ensure that the Charity's governance is of the highest possible standard. (Governance Responsibility).

As part of its general control and management of the Charity, the Board of Trustees delegate day to day management to the Executive Trustee, who in turn reports back to the Board, and presents the affairs of the Charity within regular board of trustee meetings and the Charity's annual strategic review meeting. The Executive Trustee is responsible for managing the staff of the Charity, overseeing the operational activities of the Charity, meeting with donors and beneficiaries, overseeing the necessary due diligence checks and procedures and managing the grant making activities and monitoring procedures.

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

Trustee Selection Methods

Trustees are appointed for three-year terms by resolution passed at a properly convened meeting of the Trustees.

In selecting individuals for appointment as appointed Charity Trustees, the Charity Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. In particular, the Board will apply the following criteria to the recruitment process:

- Trustees should be familiar with overseas relief work and understand the practical manner in which the Charity carries out its objectives.
- Trustees should possess appropriate, adequate administrative and related experience to enable them to add value to the overall effective administration of the Charity on a strategic level.
- Trustees should possess experience of the not-for-profit sector, Charity operations and the skills required by staff working within this area.
- Trustees should also, if possible, possess adequate professional or commercial experience (e.g., accounting, banking, legal, fundraising etc.) to enable them to contribute to the overall effective administration of the Charity.

In considering these criteria the Trustees have regard to the fact that the Charity has access to appropriate professional advice when necessary. It is therefore not essential for each trustee to have a professional qualification such as that of an accountant or lawyer. However, it is considered advantageous for new Trustees to have experiences in these areas.

Trustee Induction

As part of the recruitment process the Charity recognises the importance of induction. In order to understand the workings of the Charity and their role within it, new Trustees will be given the following documentation on taking up office:

- An up-to-date copy of the Constitution
- Copies of the minutes of the last three Trustee meetings
- A copy of the most recent report/accounts of the Charity
- The business plan (including fundraising projections and strategy) for the current year
- Copies of this Governance Manual and any other relevant policies
- A copy of the Charity Commission publication "The Essential Trustee: what you need to know, what you need to do".

This preliminary information should enable new Trustees to understand the overall administration and governance structure and help them to play an active role in its administration.

In addition, new Trustees will be invited to attend a Board meeting (whether in person or by telephone) prior to accepting the role and will have an opportunity to meet their fellow Trustees and staff as appropriate.

On-going training of Trustees

Trustees will review the Charity Commission's guidelines regularly and implement the best practices where they can. Internal training sessions will be arranged for the Trustees and where necessary, the services of a professional training provider will be used.

TRUSTEES' REPORT
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Objectives and activities

Charitable objectives

The objects for which The Mainstay Foundation has been established (as set out in its constitution) are as follows:

- The advancement of the religion of Islam in accordance with the principles and tenets of the Shia than Ascari (Twelver Shia) Muslim faith;
- The advancement of education, primarily amongst adherents of the Shia than Ascari Muslim faith, by providing support to institutions and scholarships to individuals; and
- The advancement of community development, primarily but not for the benefit of adherents of the Shia than Ascari Muslim faith, by means including:
 - The relief of poverty and the improvement of the conditions of life within socially and economically disadvantaged communities and vulnerable groups;
 - The relief of financial need and suffering amongst victims of natural and or other kinds of disasters (including the promotion of sustainable means of achieving economic growth and regeneration);
 - The promotion of national and international conflict resolution and reconciliation; and
 - The relief of financial need and suffering among victims of natural and other kinds of disaster

The primary mission of the Charity is to assist in the advancement of Shia Muslim communities globally in the areas of Religion, Education and Development.

Main activities undertaken in pursuance of its charitable objectives

The Mainstay Foundation carried out the following activities in pursuance of its charitable objectives:

THE ADVANCEMENT OF THE RELIGION OF ISLAM

In light of The Mainstay Foundation's focus upon the advancement of the religion of Islam in accordance with the principles and tenets of the Shia than Ascari (Twelver Shia) Muslim faith, the following activities were carried out:

Grant Making:

As part of its ongoing commitment to the advancement of religion, the Charity focused its funding in the regions of United Kingdom and USA in the year ending March 2021.

These grants ranged from single project basis grant awards awarded as a one-off payment to successful applicants as part of a live, advertised and project specific grant award to partnership-based grant awards which involves the provision of grants to NGOs and Charities for one or more ongoing projects and which involves ongoing funding as part of a partnership agreement. Considering the COVID-19 pandemic, grants awarded to recipients were generally intended to be used for digital content and advancement of streaming systems. The grants assisted; supporting the implementation of online religious and spiritual programs, the development of live streaming arrangements for mosques and Islamic centres, supporting the development of seminaries, scholars and religious institutions focused upon academia and the preservation of Islamic knowledge.

TRUSTEES' REPORT
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Direct activities:

The Foundation implements projects directly to further the advancement of religion mostly in the areas of Europe and North America. The projects are predominantly aimed to fill an area that is not being currently addressed by any other organisation to maintain the support and advancement of existing projects, while filling the gaps where possible.

THE ADVANCEMENT OF EDUCATION

Considering The Mainstay Foundation's objective of the advancement of education, primarily amongst adherents of the Shia than Ascari Muslim faith, the following activities were carried out:

Grant Making: The Mainstay Foundation increased grant making activity to new and existing partners within the regions of India and Iraq.

These grants helped support various projects aimed at supporting education amongst children within disadvantaged and impoverished communities, who otherwise face significant difficulties in acquiring an education. These projects involve sponsoring the costs of students within India and Iraq, which involved covering their tuition, uniform, reading material, transport, food and stationary costs so that students can attend schools run or reviewed by our local partners. These students are also provided with other forms of support and are monitored and encouraged to seek further education. The Mainstay Foundation also provided grants to a local partner Charity within Iraq who run a higher educational institute that provides postgraduate academic education.

THE ADVANCEMENT OF COMMUNITY DEVELOPMENT:

Community development in this case refers to The Mainstay Foundation's constitutional objective of promoting sustainable development with special regards to the relief of poverty, the relief of financial need and the promotion of religious and racial harmony, exclusively but not limited to adherents of the Shia than Ascari Muslim faith. The main activity falling under this category is as follows:

Grant Making: The Mainstay Foundation awarded partner-based grant awards to local partners within the regions of, Iraq, Tanzania, Kenya and India.

Grants were awarded to local partners with the objective of supporting primarily poverty relief efforts. These efforts run and managed by our partners included: providing financial support to orphans and their guardians; providing medical treatments and consultation; providing housing to impoverished communities and providing clothing and providing food, in the form of food baskets, which include base ingredients to support families and providing courses aimed at teaching basic trades. During the reporting period the Charity also supported water aid efforts and provided grants and logistical support to a local partner for the construction of solar panelled water wells within East Africa.

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Grant Making Policy

In conjunction with supporting other Organisations, logistically or otherwise, and organising and running the Charity's own activities, grant awards form the backbone of achieving the Charity's abovementioned charitable objectives and aims. The Board of Trustees govern the Charity's grant making policy by setting and managing the grant making principles, the grant making criteria and the grant making process. The Board of Trustees apply the funds of the Charity at their own discretion and in accordance with the Charitable purposes and objectives of the Charity. The Board of Trustees are also responsible for the overall award of any grant and their decision is final.

The grant making process summarised is as follows: Recipients are of two types; partner basis recipients or single project basis grant recipients.

Partner recipients are Charitable Institutions who receive funding, usually in the form of but not limited to monthly, quarterly or yearly grants for single and or multiple projects that fulfil one or more charitable objectives of the Charity. Funding for these projects can involve the implementation of newly designed projects and or the support, maintenance and expansion of existing projects initiated by partner-based recipient. Decisions with regards to partnerships are decided by the board of Trustees, and initiation of partnerships are subject to what the board of Trustees and senior management decide is in the best interest of the Charity in view of achievement of the charitable objectives of the Charity, in the short and long term and in line with the grant making policy of the Charity.

Single project basis grant recipients are those who receive funding as part of an advertised grant award for a project set out by the Foundation. These projects are typically although not always limited to the achievement of a single objective, usually the Advancement of Religion, and recipients apply and are awarded as part of a set out application process. In contrast to partner recipients, a strict application process and deadline is in place of project basis grant awards and funding is awarded in usually although not always limited to single grant awards, i.e., non-continuous funding for implementation of the advertised project set out by The Mainstay Foundation.

The Charity's grant provision process entails rigorous checks to which both types of recipients have to undergo. As such, the Charity applies due diligence procedures (enhanced where necessary), in addition to account and relevant document examinations (in person and otherwise) and site visits. The Charity adopts a risk-based approach to its grant making activities, which entails but is not limited to the size of the grants, the geographical location (high risk jurisdiction etc) in which the grant will be applied, the size of the beneficiary, where the beneficiary is based, Politically Exposed status, amongst other factors.

As part of the grant provision process, quarterly reports for partner-based recipients and final progress reports for single project-based recipients are to be carried out and sent to us, where we principally review how grants were spent and whether and how the goals/objectives were met. Final progress reports are sent from within three months of the date of the grant award.

TRUSTEES'REPORT
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Contribution Made by Volunteers

As part of its emphasis upon community involvement and capacity building, The Mainstay Foundation benefits from the work of volunteers who play a pivotal role in ensuring that many of our activities, with the exception of grant making activities are carried out effectively and achieve maximum impact. Volunteers typically, although are not always limited to aiding the Charity in activities relating to the advancement of religion. Their contribution during the reporting period was as follows:

- Social Media: During the year where physical volunteer engagement was reduced, the Foundation engaged its volunteers who assisted with virtual events implemented on social media. The volunteer activities included posting on social media, producing digital content and promoting online events.

As per the Charity's Managing Volunteers Policy and its Staff and Remuneration Policy, volunteers were not paid any salaries. However, volunteers were reimbursed for any travel and food and drink costs.

Fundraising

The Charity's fundraising is primarily from private donors. Donations from private donors are generally unsolicited and are received because the person is interested in supporting the Charity's activities. A small percentage of income has been recouped from Gift Aid.

The Charity carries out all fundraising through its internal teams and does not employ external or commercial firms, either professional fundraisers or commercial participators. The Charity is not subject to any undertaking to be bound by any voluntary scheme for regulating fundraising or any voluntary standard of fundraising in respect of its activities. No complaints have been received in respect of the Charity's fundraising activities during the financial year.

Public Benefit

The charitable objects and activities which The Mainstay Foundation undertakes for the public benefit and achievement in delivering these are set out in the relevant sections of this Trustees annual report. The board of Trustees of The Mainstay Foundation ensure that the activities undertaken by The Mainstay Foundation are relevant and beneficial to the needs of our beneficiaries and more broadly promote the betterment of UK society and other societies with which The Mainstay Foundation operates.

Further, the board of Trustees of this Charity declare and confirm that they have had regard to and have complied with the guidance issued by the Charity Commission on Public benefit.

TRUSTEES' REPORT
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Achievements and performance

2020 was a challenging year for The Mainstay Foundation in terms of activity due to the Covid-19 pandemic. However, the Charity has managed to continue the efforts regardless of limitations specifically in humanitarian aid and increasing its online presence, in line with the objectives of strengthening faith, fostering education, and developing communities around the world. During this reporting year, we are proud to say that the Charity worked tirelessly to expand our operations, develop and strengthen new and existing partnerships and increase our grant making and online non-grant making activities to a wide beneficiary base across various regions. These achievements and the important impact they have made to the circumstances of beneficiaries and the wider societies in which they live, can be seen below. For practical and reporting purposes, this has been categorised by the charitable objective, region and on a project basis as follows:

THE ADVANCEMENT OF RELIGION

NORTH AMERICA & EUROPE

Holy Month of Ramadan 2020 Programme:

Ramadan is a communal event where families and communities break their fasts together in the Islamic centres and participate in daily programmes with lectures, supplications, and recitation of the Holy Qur'an. This year however was significantly different due to the outbreak of Covid-19. The community had to adapt quickly to the situation and accommodate a way of maintaining the communal aspect of Ramadan while maintaining the safety of those taking part.

The Mainstay Foundation usually would provide grants to help cover costs of physical events during the Holy Month, however, this year the Foundation provided its services to the community through a daily virtual programme that was streamed to its own YouTube and Facebook platforms, as well as the platforms of its local partners that usually would have a physical programme.

The Ramadan programme was successfully implemented virtually with daily lectures, children's stories, and recitations of supplications and the Holy Qur'an. The daily lectures were delivered by 3 separate speakers at different timings throughout the day. The Charity was able to benefit more than 10 centres by providing them with the live streaming service. The Holy Month included a special collaboration the Foundation took part in titled "The Night of Destiny" where more than 36 organisations came together to engage in unified prayers during the nights of destiny.

The Holy Month concluded with a unified Eid Programme initiated by the Foundation which more than 15 centres benefited from. The Programme included a Dua Al Nudba recitation, Eid prayers and the Eid sermon which were followed by the viewers at home.

Our partnering organisation in the US implemented some separate Zoom programs in addition to the shared programmes that were streamed daily, catering to different audiences at time various time zones. In addition to the five centres' that streamed the programs on their own platforms, the programme was streamed on our partners platforms, YouTube and Facebook. They also utilised a community page, which expanded the reach to a diverse audience of Muslims. The viewership in the first week was an average of 200 per stream and then increased steadily. In the last two weeks, the average viewership per stream was around 750-1000 views. In addition to the daily live streams, an Eid Program and Live Q&A with the speakers were carried out. The Live Q&A was the most viewed session during the month at 1,800 views.

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Summer 2020 programme:

The Charity implemented a new programme in the summer of 2020. The programme spanned over 35 days and consisted of daily live streamed videos of 1-hour long, and each video had a total of 4 programmes. The programmes were divided with different target audiences, including a puppet show for children, teenagers' talk, young adults/professionals talk and Islamic jurisprudence for the general audience.

The programmes were streamed on YouTube and Facebook and averaged a steady live viewership of 15 each day.

Muharram 2020 programme:

The Muharram programme was carried out virtually due to the Covid-19 pandemic. The programme consisted of a kids' programme, which saw attendance surpass 100 attendees on ZOOM, a sister's programme, and 2 lecture programmes with respected guest speakers giving lectures and talented reciters conducting the eulogies. Videos and posters were released throughout the 10 days of Muharram and had constant interactions, with some posts hitting over 1000 views.

Muharram technology grants:

The month of Muharram is an important time in the calendar for the Shi'a Muslims where the grandson of the Holy Prophet, Imam Hussain, is commemorated. The rituals usually include the gathering in the Islamic Centres with lectures on Islamic history, spirituality, personal growth and other topics are discussed by experts in their fields. In 2020, due to the pandemic, many Islamic centres were closed due to the risk of spreading the virus and thus, the centres had to adapt accordingly.

The Foundation adapted its Muharram grants this year towards a technological advancement grant that provided centres with the opportunity to adapt their programmes to be delivered virtually. The Foundation was able to benefit a total of 6 centres and individuals who provided virtual programmes to their community allowing them to commemorate safely, apart.

Autumn 2020 Educational Programme:

In the effort to develop the online educational content provided by the Foundation, an 8-week set of zoom programmes were implemented starting in October 2020. The programmes consisted of a kid's programme, sisters' programme and Panel Reflections.

The programmes addressed common issues facing the community which are not usually spoken about. The topics included Spirituality, Media Engagement, Business and Entrepreneurship and more. Experts in their fields were invited to provide insight into these topics. The programmes received a large volume of positive feedback and special thank you emails were continuously received, commending the work being done on these programmes.

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THE ADVANCEMENT OF EDUCATION

INDIA

Sponsorship of students:

The Mainstay Foundation emphasises the importance of providing quality education to those who do not have access to it. The Foundation believes that through the means of education, societies can flourish through the individuals that succeed within that community.

In India, there are thousands of potential students ranging from primary to university level who do not have access to education due to the inability to pay for education fees to attend their respective educational institutes. The Mainstay Foundation works towards alleviating this struggle for students by providing on-going sponsorships throughout the year. The sponsorship includes the payment of education fees, books, uniforms, transport and more.

The Charity through its wide range of projects throughout India, was able to benefit the following students in various areas:

- With our partner who operates throughout India, the Foundation provided an education grant which was directed towards the sponsorship of 700 primary students.
- In the Uttar Pradesh state, the Charity supported ongoing scholarship continues to provide 750 students from primary to university level.
- An additional education grant was sent to provide sponsorship to an excess of 450 students from primary level to university level. This included Education aid (Unity College Lucknow) for 86 students as well as professional education to 86 students.
- In Mumbai, support for 750 students at primary level was accomplished as well as 304 students from grades K-10 from impoverished areas in Mumbai.

Online Learning:

Due to the Covid-19 pandemic, many schools and universities in India shifted towards delivery of the curriculum online. This proposed a new challenge to the students as many of them could not afford to have their own laptops and computers. The Charity together with its partnering organisation in Hyderabad worked to find a solution for these students.

The Charity and its partner came up with a solution of establishing laptop computer labs inside the local centres where students could come and use the laptops as and when needed. Laptops were provided at 5 different centres in 3 locations which students were able to benefit from.

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IRAQ

Orphan student sponsorship:

The Mainstay Foundation partnered with a Charity within Iraq, who manage and run a school predominantly for impoverished orphans and disadvantaged students. The grants provided to the partner sponsored the costs of the students' education, which covered their school fees and their clothing, textbook, stationary, food and transport costs. As is the case with all grants we send for the purposes of education, students' progress was monitored, and students were provided with additional care and support to open as many opportunities as possible for them. The Mainstay Foundation supported 180 students through this partner.

Tablet programme:

During the Covid-19 pandemic, schools were made to close in Iraq to protect the students. This meant that the curriculum started to move towards a virtual learning model in order to continue the education of students. However, this was a struggle for the students in the school of our partnering organisation, Dar Al-Zahra School. Not all students have access to devices where they were able to continue their learning online.

The Charity supported the programme of providing tablets to help the students to continue their education during the pandemic. The programme provided 1100 tablets for the students to continue their education online during the pandemic.

THE ADVANCEMENT OF COMMUNITY DEVELOPMENT

INDIA

Ramadan Aid 2020 & 2021:

During the month of Ramadan, communities throughout the world gather to break their fasts and spiritually uplift themselves. However, there are many people who struggle putting food on the table on a day-to-day basis and this continues into the month of Ramadan. The month is associated with charitable activities and helping others which results in many organisations trying to provide meals for the people who do not have something to break their fasts with. The event of Eid marks the end of the Holy Month and children are usually showered with presents and gifts to mark the celebrations. However, many children are deprived of this due to the financial struggles of their families.

This year was an even larger struggle for those in need due to the pandemic where lots of individuals lost their jobs thus making it even more difficult to put food on the table or to take part in Eid celebrations.

The Mainstay Foundation continued its yearly commitment to providing food baskets to those individuals in need in the region of India in 2020 and 2021. These food baskets would include staple food such as rice, oil, lentils, and more. The Charity was able to distribute the food baskets with partnering organisations on the ground in the following areas:

- In the state of Uttar Pradesh, 9,500 families received food packages.
- In Hyderabad, 3,500 families received food baskets and 800 students received Eid gifts.
- In the regions of Mumbai and Junnar, 2,564 families received food baskets.
- With our partner who operates throughout India, food packages were provided to 2,800 registered orphans as well as 325 other children in need.

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Covid Aid:

The Covid-19 pandemic caused a crisis for numerous individuals across the world. In India, many people lost their jobs and businesses suffered causing families to struggle to make ends meet. The most basic need for anyone is food and drink, which many were not able to afford since their streams of income took a hit. Many people also were struggling to pay any medical fees or were not able to afford the purchase of medicines.

The Foundation worked with partner organisations on the ground in India to provide support for food in the form of food baskets as well as helping towards the payment of any medical attention required.

- Throughout India, 2200 families were provided with food aid and food packages.
- More than 5,000 beneficiaries received food packages and hot meals in the Uttar Pradesh state.
- In Hyderabad, supplementary support aid including grain bags for 100 Families for 3 months, medical and health, financial assistance and business support was also successfully provided.

Emergency support for the Hyderabad floods:

In November 2020, the Hyderabad areas was hit with devastating floods which affected many households. Houses were destroyed and many individuals who were already struggling were set back much more with the event of the floods.

Through our partnering organisation based in the region of Hyderabad, The Mainstay Foundation sent emergency aid to provide support to families affected by floods. This included food baskets containing staple foods such as rice, oil and lentils as well as support with housing.

Pilot counselling programme:

The Charity also provided counselling through partners in Hyderabad for 50 students including Employability Training (Resume, Interview, Confidence Building, etc.) as well as providing vocational skills training for approximately 80 people.

Repairs and support:

In Lucknow, our community development grant funded the operational shortfall of a hospital, as well as to fund the repairs of an orphanage.

General support:

Throughout India our efforts continued in supporting 603 widows with a monthly amount as well as supporting 3 orphanages and clinics with life savings and general medical aid.

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IRAQ

Ramadan Aid 2020 & 2021:

The month of Ramadan is a special time in Iraq especially in the city of Najaf. It is where the tomb of Imam Ali, the first Imam, is stationed and it is in the month of Ramadan that he passed away. Shi'a Muslims all over the world come to visit the land of Najaf to pay their respects and especially in the month of Ramadan, the number of visitors are more than ever. With more visitors, the residents usually benefit from this economically, however, with the pandemic and tight travel restrictions, the visitors have reduced significantly. This called for support more than ever to the poor, the orphans and the widows.

The Charity has established food basket programmes in the past in Iraq, and this continued in 2020 and 2021 during the month of Ramadan where we worked with our partner organisation on the ground to provide food packages including rice, lentils, pasta and more.

The Charity were able to achieve the distribution of food packages to 16,385 families, low-income students, and school staff. Beneficiaries also included orphans, seminary students, and needy residents of Najaf. Eid gifts were distributed to 7600 students alongside the food package.

AFRICA

Ramadan Aid 2021:

In the last year, nearly one million people which is 20% of the 14.8 million in 16 surveyed districts in Tanzania, were estimated to be experiencing severe food insecurity. In addition, naturally occurring disasters including severe flooding occurred in several regions affecting large numbers of low-income farms resulting in substantially smaller harvests in recent seasons. The Covid-19 pandemic has severely affected those at the lowest rung of the economic ladder. More than 14 million Tanzanians are still living in extremely poor condition.

In Kenya, our partner organisation had been holding regular spiritual programmes during the Holy month of Ramadan for more than 40 years. The activities would include daily prayers, classes, group Qur'an recitation, daily iftar, Eid gifts and more. With the advent of Covid-19, most of the programmes came to a stop and thus this affected many community members who usually would have a meal or food packet in the month of Ramadan provided by the centre.

To address the struggles in Kenya and Tanzania, with our partners on the ground, The Mainstay Foundation supported the distribution of food packages which included staple foods such as rice, noodles, wheat, flour, oil, dates and more.

The Foundation worked with partners on the ground and were able to distribute 12,500 food packages as well as 559 Eid gifts for students across the two regions. The food baskets also fed 6 orphanages and 3 seminaries with iftar for 15 days, and for the centres, 2,000 Qurans were gifted to centres for the benefit of local children.

Water Projects:

Out of the 15 communities supported by our partner in Kenya, only 3 have access to piped water supplied by the government and one has a well where the water is drinkable. Several other centres have been supported with the digging of either wells or drilling deeper borewells, however the water from most of these borewells is either brackish or saline and unfit for human consumption. The Mainstay Foundation has supported water projects in the past and in the last year especially since the rise of the pandemic, the need for water was more than ever.

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The Charity worked with partners to support four desalination plants in Kenya. Each plant will provide clean water to 10,000 people and help in employment by supporting the farming industry.

The water projects were supported in various locations including Shimoni, Kenya. The Shimoni Islamic centre didn't have clean drinking water so the desalination plant will provide for them and primary school around it. The other three plants were supported in the Ukambani region of Kenya.

Human Resource Development Project:

Our partnering organisation in Kenya have had older members of staff working for many years. They have served the community and the organisation with passion and determination in making a positive difference. Many of them however are unable to consider retirement due to the lack of a retirement package or pension scheme. The organisation also would benefit from introducing fresh talent into their human resources.

To empower our partner to bring in fresh new staff to help with the continuity of their organisation, The Mainstay Foundation provided a grant towards a staff retirement project, helping the staff of our partner organisation to retire without a heavy financial burden.

Sadaqa Projects:

Numerous areas in East Africa have been living in extreme poverty and food insecurity due to reasons including extended dry spell weather and the Covid-19 pandemic. Many individuals are malnourished and do not usually have protein in their diet.

A usual act of Charity in many cultures is to donate goats, sheep or cows which are then utilised for their meat and distributed to those in need. This act is usually called "sadaqa". The Foundation were able to work with partner organisations on the ground to provide food baskets which included meat.

In Tanzania, two sadaqa projects were carried out, the first of which 300 meat baskets were donated to families in need. The second, of which provided 7500 families meat baskets of 3kg each to those in need.

The Kenya region also saw benefit with our sadaqa project which provided 8500 families with meat baskets.

Measuring Achievements

The Mainstay Foundation maintains strict and thorough performance reviews which are overseen by the board of Trustees. In this regard, all activities undertaken by the Charity were regularly reviewed and monitored by the Charity, ensuring our activities achieve maximum impact.

With regards to Grant Awards, the grant provision process designed and implemented by the Charity ensures that regular reporting for partner-based grant awards is received and reviewed by the Charity. This occurs in the form of site visitations and various monitoring tools, such as quarterly progress reports and achievements are monitored in line with project milestones/objectives set out prior to the initiation of funding. Similarly, our single project basis grant awards are monitored in line with milestones/objectives set out prior to the awarding of a grant, and projects are reviewed through on-site visitations and through final progress reports which are sent to us by grant awardees within three months of the date the grant was awarded.

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For activities that were not based upon grant awards, numerous evaluative tools were put in place to review performances for the various activities supported by and organised directly by the Charity. These include figures and feedback surveys carried out by participants immediately after and following the respective activities.

Financial review

During the reporting period the Charity changed its year end from 31 December to 31 March. This was done to bring the financial year inline with the payroll year and also in order to align it with its education projects in different countries. To reflect the change in the financial year end the current financial year was for 15 months running from 1 January 2020 to 31 March 2021.

The total income of the Charity for the reporting period was £2,764,968 (*12 months to 31 December 2019 - £2,382,977*) and the total expenditure amounted to £3,221,427 (*12 months to 31 December 2019 - £2,190,754*). This left a deficit of £456,459 (*12 months to 31 December 2019 – surplus of £192,223*).

Including support costs, which amounted to £179,787 (*12 months to 31 December 2019 - £108,250*) the Charity's expenditure was £2,064,483 (*12 months to 31 December 2019 - £953,934*) on the advancement of Community Development, £939,202 (*12 months to 31 December 2019 - £637,291*) on the advancement of Education and £217,742 (*12 months to 31 December 2019 - £599,529*) on the advancement of Religion.

The Charity acquires its principal source of funding through donations by donors which are used to achieve the Charity's objectives and cover its operational costs. The Charity does not engage in income related services, nor in any investments whose purpose is to increase funding for the Charity.

Reserves Policy

The Board of Trustees have decided that the Charity's policy on reserves is to maintain sufficient unrestricted funds to cover up to 6 months of operating and payroll costs amounting to £54,000/- should a short fall in income occur. Potential risks facing the Charity and contingency funds that may be needed as a result, have also been considered through means of risk assessments and consultations in determining this policy.

The amount that is considered required to cover the unrestricted expenditure for the reserve target is 6 months of administration costs which is £73,200. The actual unrestricted reserve funds were £309,193 (*12 months to 31 December 2019 - £746,461*). The Trustees believe that in the coming financial year 2021-22 the amount of aid work done will be more than the donations amount received which explains the reserve held. As such, the Charity considers its current reserve fund sufficiently placed to cover its reserve policy.

The reserves maintained by the Charity have significantly made an impact in the aid work carried out during the Covid-19 pandemic. The Charity was able to aid more than 10,000 beneficiaries with food baskets and medical aid through grant awards to existing partners.

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

Risk Management

Effective risk management is essential to ensure that Trustees can take appropriate and timely action where risks are identified and are better placed to achieve the Charity's mission. To this effect the Charity's regularly reviewed and updated policy ensures a proactive stance towards risk management, where Trustees are able to take a planned course of action upon identification of risks, either to:

- Minimise the impact of risk for example with contingency planning;
- Accept the risk;
- Transfer the risk (insurance);
- Reduce the risk (if complete avoidance is impossible or disproportionately expensive in time or money); or
- Monitor the risk.

The Charity utilises a regularly reviewed and updated central risk assessment of the Charity which categorises risk to: operational; financial; governance and management; compliance and environmental/external factors. The Charity also uses risk assessments for specialist risk categories as part of some of its policies, such as its anti-money laundering and counter terrorist financing policy. Within each category risk is identified and assessed in relation to its likelihood and impact, alongside the steps required to mitigate each risk, in addition to any further actions needed.

Principal risks facing the Charity

Following careful deliberation and consultation, the Board of Trustees have considered several principal risks and uncertainties facing the Charity. These are as follows:

- Partnerships with and/or Grant making to NGOs in High-risk jurisdiction countries
- Reliance upon a limited number of donors
- Banking activities that relate to the expending of funds
- New Partnerships with Charities

These risks are proactively identified and appropriate actions are implemented in line with the above-mentioned policy, which includes the identification, assessment (likelihood of impact and severity), and required actions needed for each principal risk. Furthermore, the Charity implemented assigning a risk controller. These types of risks are subject to further monitoring and actions which are mentioned within the risk assessment by the Board of Trustees. Principal risks are regularly updated in line with the risk management policy of the Charity and are subject to variations depending upon the board of Trustees considerations.

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

Policy for the remuneration of Key Management Personal

The Key Management Personal of The Mainstay Foundation are its Trustees. The Trustees of The Mainstay Foundation are not paid for their services. Should they meet the criteria of the Charity Commission's guidance for 'Payments to Charity Trustees', Trustees can seek reimbursement for out-of-pocket expenses in consideration of the reasonability of the request. Similarly, they may also be paid for extra ordinary work for the Charity, if it is agreed upon by the Board of Trustees and if there are no alternative staff members who can supply the work in question.

Further, the Mainstay Foundation does not pay its Executive Trustee, given they are considered a Trustee and as such policy regarding their remuneration extends to that of a Trustee.

Plans for future periods

The Board of Trustees of The Mainstay Foundation have decided that the short term (one year long) strategic activities of the Charity are to include:

- Improved financial and logistical support to charities based within the UK whose charitable objectives are shared by the charitable objectives of The Mainstay Foundation's.
- Expanding the type of activities/projects we support through grant making to new and existing grant recipients.
- Designing new activities/projects and allocating more funds for the purposes of awarding grants to beneficiaries who seek to implement such activities/projects in question.

The rise of the Covid-19 pandemic has caused the Charity to take new and innovative approaches in its projects. Remote working capabilities were already established at the Charity before the pandemic and thus, the day-to-day working was not affected significantly. Going forward, the Charity will continue to find digital solutions to existing projects. The Charity will pursue a more established online presence including more social media engagement and public fund-raising campaigns. The Charity is committed to expanding and specializing in all areas of its charitable work.

The charities focus will continue to be how it can maximise its performances from its activities in pursuit of its charitable objectives, and the benefits this will bring to people's lives, and to the collective wider society in which they live.

Auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that:

- So far as they are aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- They have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

The Trustees' Report was approved and signed on behalf of the Board of Trustees by:

.....

Mr M Marashi
Chair

Date: 13/12/2021

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 MARCH 2021

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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 are sufficient to show and explain the Charity's transactions and 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, 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 Members of the Board of Trustees and signed on its behalf by:



.....
Mr M Marashi
Chair

Date: 13/12/2021

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAINSTAY FOUNDATION

Opinion

We have audited the financial statements of The Mainstay Foundation (the 'Charity') for the period ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards 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.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 United Kingdom, including the Financial Reporting Council'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.

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

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAINSTAY FOUNDATION
(CONTINUED)

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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and 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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report 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 (who are also the Directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAINSTAY FOUNDATION
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an Auditors' Report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements; ;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Review the due diligence processes in place on major donors and enquiry of legal advisers for the confirmation of donations received in the year;
- Performing audit work over the grant making and monitoring process;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MAINSTAY FOUNDATION
(CONTINUED)

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. 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 its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 14 January 2022

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 MARCH 2021

	Note	Unrestricted funds 15 months to 31 March 2021 £	Restricted funds 15 months to 31 March 2021 £	Total funds 15 months to 31 March 2021 £	Total funds 12 months to 31 December 2019 £
Income from:					
Donations	3	2,762,033	2,935	2,764,968	2,375,592
Charitable activities	4	-	-	-	7,385
Total income		2,762,033	2,935	2,764,968	2,382,977
Expenditure on:					
Charitable activities	5,6	3,198,852	22,575	3,221,427	2,190,754
Total expenditure		3,198,852	22,575	3,221,427	2,190,754
Net (expenditure)/income					
Transfers between funds	16	(436,819) (449)	(19,640) 449	(456,459) -	192,223 -
Net movement in funds		(437,268)	(19,191)	(456,459)	192,223
Reconciliation of funds:					
Total funds brought forward		746,461	19,191	765,652	573,429
Net movement in funds		(437,268)	(19,191)	(456,459)	192,223
Total funds carried forward		309,193	-	309,193	765,652

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 26 to 44 form part of these financial statements.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2021 £	2019 £	2019 £
Fixed assets					
Tangible assets	13		673		1,599
			<u>673</u>		<u>1,599</u>
Current assets					
Debtors	14	38,657		3,535	
Cash at bank and in hand	19	314,190		772,678	
		<u>352,847</u>		<u>776,213</u>	
Creditors: amounts falling due within one year	15	(44,327)		(12,160)	
Net current assets			<u>308,520</u>		<u>764,053</u>
Total net assets			<u><u>309,193</u></u>		<u><u>765,652</u></u>
Charity funds					
Restricted funds	16	-		19,191	
Unrestricted funds	16	309,193		746,461	
Total funds			<u><u>309,193</u></u>		<u><u>765,652</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr M Marashi

Chair

Date: 13/12/2021

The notes on pages 26 to 44 form part of these financial statements.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021

		15 months to 31 March 2021	12 months to 31 December 2019
	Note	£	£
Cash flows from operating activities			
Net cash used in operating activities	18	(458,488)	192,523
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets	13	-	(600)
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		-	(600)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(458,488)	191,923
Cash and cash equivalents at the beginning of the year		772,678	580,755
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	314,190	772,678
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 26 to 44 form part of these financial statements

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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

1. General information

The Charity is a public benefit entity and a Charitable Incorporated Organisation limited by guarantee, registered in England and Wales and a registered Charity (Charity Registered Number 1166017) in England and Wales.

The address of the registered office is Office 11, Abji Bapashree House, 211 Kingsbury Road, London, NW9 8AQ. The nature of the Charity's operations and principal activities are detailed in the Trustees Report.

The financial statements have been prepared for an extended 15 month period starting on 1 January 2020 and ending on 31 March 2021. The Charity changed the financial year to be in line with the payroll year and also in order to align it with its education projects in different countries.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Mainstay Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist, including considering the impact of COVID-19. The Trustees have considered the level of funds held and the expected level of income and expenditure for at least 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

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

2. Accounting policies (continued)

2.3 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.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date or on a receipts basis if earlier. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfillment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

If material on receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it 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.

2.4 Expenditure

All expenditure is accounted for on an accruals basis. 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

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

2. Accounting policies (continued)

2.5 Foreign currencies

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25% Straight line
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2.7 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.

2.8 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.

2.9 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 in the Statement of Financial Activities as a finance cost.

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

2. Accounting policies (continued)

2.10 Financial instruments

The Charity does not have a material holding in complex financial instruments. The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Liabilities - trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 15. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.12 Critical accounting estimates and areas of judgment

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on the amounts recognised in the financial statements:

- Depreciation rates for tangible assets
- Support cost allocation

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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

3. Income from donations

	Unrestricted funds 15 months to 31 March 2021 £	Restricted funds 15 months to 31 March 2021 £	Total funds 15 months to 31 March 2021 £
Donations	2,752,033	2,935	2,754,968
Grants	10,000	-	10,000
	<u>2,762,033</u>	<u>2,935</u>	<u>2,764,968</u>

Income from grants relates to the £10,000 received from Brent Council under the Small Business Grant Fund (SBGF) (12 months to 31 December 2019 - £NIL). There are no unfulfilled conditions or other contingencies attaching to grants recognised as income in either year.

	Unrestricted funds 12 months to 31 December 2019 £	Restricted funds 12 months to 31 December 2019 £	Total funds 12 months to 31 December 2019 £
Donations	<u>2,353,066</u>	<u>22,526</u>	<u>2,375,592</u>

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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

4. Income from charitable activities

	Total funds 15 months to 31 March 2021 £	
Advancement of religion	-	
	<hr/>	
	Unrestricted funds 12 months to 31 December 2019 £	Total funds 12 months to 31 December 2019 £
Advancement of religion	7,385	7,385
	<hr/>	<hr/>

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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

5. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 15 months to 31 March 2021 £	Restricted funds 15 months to 31 March 2021 £	Total funds 15 months to 31 March 2021 £
Advancement of education	939,102	100	939,202
Advancement of religion	214,498	3,244	217,742
Community development	2,045,252	19,231	2,064,483
Total 2021	3,198,852	22,575	3,221,427

	Unrestricted funds 12 months to 31 December 2019 £	Restricted funds 12 months to 31 December 2019 £	Total funds 12 months to 31 December 2019 £
Advancement of education	637,291	-	637,291
Advancement of religion	596,529	3,000	599,529
Community development	953,934	-	953,934
Total 2019	2,187,754	3,000	2,190,754

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
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6. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 15 months to 31 March 2021 £	Grant funding of activities 15 months to 31 March 2021 £	Support costs 15 months to 31 March 2021 £	Total funds 15 months to 31 March 2021 £
Advancement of education	-	887,394	51,808	939,202
Advancement of religion	88,869	116,664	12,209	217,742
Community development	-	1,948,713	115,770	2,064,483
Total 2021	88,869	2,952,771	179,787	3,221,427

	Activities undertaken directly 12 months to 31 December 2019 £	Grant funding of activities 12 months to 31 December 2019 £	Support costs 12 months to 31 December 2019 £	Total funds 12 months to 31 December 2019 £
Advancement of education	-	605,897	31,394	637,291
Advancement of religion	122,136	448,163	29,230	599,529
Community development	-	906,308	47,626	953,934
Total 2019	122,136	1,960,368	108,250	2,190,754

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6. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 15 months to 31 March 2021 £	Total funds 12 months to 31 December 2019 £
Staff costs	86,583	57,869
Depreciation	926	672
Rent	18,074	16,200
Legal and other professional fees	34,562	5,701
Insurance	993	1,192
Telephone	79	100
Other office costs	1,024	3,327
Bank charges	446	1,185
IT and Digital	4,345	-
Advertising and Marketing	2,162	396
Travel costs	7,000	8,542
Foreign exchange loss	9,980	3,935
Governance costs	11,568	8,040
Human Resources	2,045	1,091
Total	179,787	108,250

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7. Analysis of grants - by activity

	Grants to Institutions 15 months to 31 March 2021 £	Grants to Individuals 15 months to 31 March 2021 £	Total funds 15 months to 31 March 2021 £
Advancement of education	887,394	-	887,394
Advancement of religion	112,664	4,000	116,664
Community development	1,948,713	-	1,948,713
Total 2021	2,948,771	4,000	2,952,771

	Grants to Institutions 12 months to 31 December 2019 £	Total funds 12 months to 31 December 2019 £
Advancement of education	605,897	605,897
Advancement of religion	448,163	448,163
Community development	906,308	906,308
Total 2019	1,960,368	1,960,368

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8. Analysis of grants - by recipient

	15 months to 31 March 2021 £	12 months to 31 December 2019 £
The Federation of Khoja Shia Ithna Asheri Jamaats of Africa	306,554	139,999
Alimaan Charitable Trust	100,000	30,871
Mainstay Foundation (US)	56,462	91,065
Alimaan Charitable Trust	121,000	384,000
Dar Al-Zahra School	261,894	182,759
Husaini Education	-	50,000
The Khoja Shia Ishna Ashari Medical Aid & Welfare Society	195,000	188,450
Ramadhan	-	14,000
Ramadhan Relief (see Note 9 for analysis)	1,370,334	431,791
Tauheedul Muslimeen Trust	368,827	170,000
General One off and Camps	-	37,233
Muharram - Grant UK Institutes	6,200	36,085
Muharrum - Grant UK Individuals	4,000	3,100
Imaan Foundation	-	110,000
Najaf Retreat	-	25,015
Al-Ayn Social Care Foundation	-	6,000
The Exeter Ahlul-Bayt Community	-	10,000
The World Federation of KSIMC	-	50,000
Helping Hands	112,500	-
Dawn Foundation	50,000	-
Total	2,952,771	1,960,368

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9. Ramadhan Relief

	15 months to 31 March 2021 £	12 months to 31 December 2019 £
Alimaan Charitable Trust	116,350	150,000
Tauheedul Muslimeen Trust	191,173	20,000
The Federation of Khoja Shia Ithna Asheri Jamaats of Africa	507,415	-
Anwar Al-Najafia	322,957	211,791
The Khoja Shia Ishna Ashari Medical Aid & Welfare Society	64,000	50,000
Dar Al-Zahra School	113,439	-
Helping Hands	55,000	-
Total	1,370,334	431,791

10. Governance costs

	15 months to 31 March 2021 £	12 months to 31 December 2019 £
Auditor's remuneration - Other services	3,528	1,800
Auditor's remuneration - Audit of the financial statements	8,040	6,240
	11,568	8,040

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11. Staff costs

	15 months to 31 March 2021 £	12 months to 31 December 2019 £
Wages and salaries	83,239	56,929
Social security costs	3,344	940
	86,583	57,869

The average number of persons employed by the Charity during the reporting period was as follows:

	15 months to 31 March 2021 No.	12 months to 31 December 2019 No.
Number of staff	3	3

No employee received remuneration amounting to more than £60,000 in either period.

12. Trustees' remuneration and expenses

During the year, no Trustees, who comprise all the Key Management Personnel of the Charity, received any remuneration or other benefits (*12 months to 31 December 2019 - £NIL*).

During the period there were no expenses reimbursed or paid directly to any Trustees (*12 months to 31 December 2019 - £2,245 to 2 Trustees for travel and subsistence*).

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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2020 and 31 March 2021	3,040
Depreciation	
At 1 April 2020	1,441
Charge for the year	926
At 31 March 2021	2,367
Net book value	
At 31 March 2021	673
At 31 March 2019	1,599

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NOTES TO THE FINANCIAL STATEMENTS
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14. Debtors

	2021 £	2019 £
Due within one year		
Other debtors	-	698
Prepayments and accrued income	38,657	2,837
	38,657	3,535

15. Creditors: Amounts falling due within one year

	2021 £	2019 £
Accruals	14,327	12,160
Grants payable	30,000	-
	44,327	12,160

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

Statement of funds - current period

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
General Funds	746,461	2,762,033	(3,198,852)	(449)	309,193
Restricted funds					
Lady Fatima Well	19,191	-	(19,231)	40	-
World Federation	-	2,935	(3,344)	409	-
	19,191	2,935	(22,575)	449	-
Total of funds	765,652	2,764,968	(3,221,427)	-	309,193

The Lady Fatima Water well fund was restricted for building water wells in remote areas in Africa. The donations raised were restricted for the building of water wells.

The World Federation fund is a restricted grant that has been received for a joint project on Iraq Ziyarat Documentaries. The income received was restricted to be spent on editing, directing, and other costs relating to the production of the documentaries and the income received was expended in the year.

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

16. Statement of funds (continued)

Statement of funds - prior period

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Unrestricted funds				
General Funds	573,764	2,360,451	(2,187,754)	746,461
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Restricted funds				
Lady Fatima Well	(335)	19,526	-	19,191
World Federation	-	3,000	(3,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(335)	22,526	(3,000)	19,191
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	573,429	2,382,977	(2,190,754)	765,652
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THE MAINSTAY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	673	673
Current assets	352,847	352,847
Creditors due within one year	(44,327)	(44,327)
Total	309,193	309,193

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	1,599	-	1,599
Current assets	757,022	19,191	776,213
Creditors due within one year	(12,160)	-	(12,160)
Total	746,461	19,191	765,652

18. Reconciliation of net movement in funds to net cash flow from operating activities

	15 months to 31 March 2021 £	12 months to 31 December 2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(456,459)	192,223
Adjustments for:		
Depreciation charges	13 926	672
Increase in debtors	14 (35,122)	(3,532)
Increase in creditors	15 32,167	3,160
Net cash provided by/(used in) operating activities	(458,488)	192,523

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of cash and cash equivalents

	2021 £	2019 £
Cash in hand	314,190	772,678
Total cash and cash equivalents	314,190	772,678

20. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	772,678	(458,488)	314,190
	772,678	(458,488)	314,190

21. Related party transactions

During the period the Charity benefited from donated services totalling £4,651 (*12 months to 31 December 2019 - £6,000*). These services were provided by a Trustee of the Charity. The donation has been valued in accordance with the Charity's accounting policies.

During the period the Charity benefited from unrestricted donations totalling £490 by a Trustee (*12 months to 31 December 2019 - £NIL*).