

**THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

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THE MAINSTAY FOUNDATION
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**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) Dr Riyaz Amiral Kaba (appointed 17 August 2021)
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, United Kingdom EC2Y 5AU
Bankers	Barclays Bank PLC 75 King Street Hammersmith London W6 9HY
Solicitors	BDB Pitmans 50 Broadway Westminster London SW1H 0BL

THE MAINSTAY FOUNDATION
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022

The Trustees present their report and the financial statements of the Charity for the year ended 31 March 2022.

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.

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.

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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 the 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.

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 Ithna Ashari (Twelver Shia) Muslim faith;
- The advancement of education, primarily amongst adherents of the Shia Ithna Ashari 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 Ithna Ashari 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.

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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 Ithna Ashari (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 2022.

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. The grants assisted; supporting the implementation of religious and spiritual programs focused upon academia and the preservation of Islamic knowledge.

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 Ithna Ashari 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 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 Ithna Ashari 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.

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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 and also water projects in India.

Grant Making Policy

In conjunction with supporting other organisations, logically 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 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.

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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. During the year, the physical volunteer engagement was reduced as all local projects, in which volunteers aid the Charity, were cancelled due to COVID.

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. During the year the Charity worked on extending its social media presence and also did small fund raising from the public specifically for education and water aid.

The Charity carries out all fundraising through its internal teams and does not employ external or commercial firms, either professional fundraisers or commercial participants. 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.

Achievements and performance

2021 continued to be a challenging year for The Mainstay Foundation in terms of activity due to the Covid-19 pandemic. However, the Charity has managed to continue its 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 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:

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THE ADVANCEMENT OF EDUCATION

INDIA

Sponsorship of students:

One of the main objectives of The Mainstay Foundation is to make quality education from primary to higher education level accessible for all. Through increase in literacy rate and provision of education, the Charity believes poverty can be reduced, health improved, and communities can flourish.

In India schools have resumed offline functioning after long lockdowns. However, the multiple re-opening and closures of schools due to the pandemic, increase in unemployment and current inflation has caused massive disruptions in the education of millions of children. Many caregivers/parents lost their jobs or were unable to earn enough to manage the cost of their children's education.

According to a survey conducted by the National Statistical Office (NSO) of the Indian government, one out of every eight students enrolled in a school or college drops out before completing their education, and over 62 percent of all dropouts occur at the school level. 62.9 percent of all dropouts occur in high school. The pandemic has pushed parents to prioritise survival over children's education, especially fees in private institutions.

The Mainstay Foundation has been providing on-going sponsorships to deserving students throughout the year. The sponsorship includes the payment of education fees, school supplies including books, uniforms, stationary, transport and more.

Throughout India, the Charity was able to benefit the following students in various areas of primary, secondary, and higher education:

- With our partner based in Maharashtra, the Foundation provided an education grant which was directed towards the sponsorship of 957 students including primary to high school level.
- In the Uttar Pradesh state, the Charity supported ongoing scholarship continues to provide 885 students from primary to university level.
- An additional education grant was sent to provide sponsorship to 83 students at primary level, 47 students at Secondary level, 44 at Higher secondary and 51 at Intermediate level in Lucknow (Unity College)
- 608 school going students at primary level were supported from underprivileged households across Maharashtra.
- An education grant was provided to 62 students (Noble school in Alipur) for Primary and secondary school.
- Our partner in Hyderabad provided 511 students support with the cost of higher education and supported 11 students through a residential program for both girls and boys preparing for National Eligibility cum Entrance Test so they can get admission to private universities to pursue an undergraduate degree in medical, IT or engineering related courses. These deserving students not only received educational support including laptops but also boarding and lodging facilities across Gujarat 39 students were supported with the cost of their higher education.

IRAQ

Orphan student sponsorship:

The Mainstay Foundation continues the partnership with a charity in Iraq, who has been successfully running a school where students from disadvantaged backgrounds including orphaned children are able to study in a safe and nurturing environment. The grants provided for sponsoring 190 children's education includes school fees, uniform, textbook, stationary, school meals, healthcare, psycho-social support as well as transportation. The progress of each student that is sponsored is monitored to ensure they are progressing and benefitting from all the facilities provided in a holistic manner to ensure their physical growth and mental development.

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Smart Boards Project:

This project was an extension of last year's project where TMF provided 1100 tablets to all the students for online education. In this project all IT equipment was provided to the school in Najaf to implement more modern techniques of education through smart boards. To improve children's performance at primary, Intermediate and preparatory levels in the classroom using visuals has been quite effective.

The software and hardware that were installed by the school enhanced the performance of 837 students across the school as they improved the teaching standards within the classroom whilst assisting the teachers in day-to-day teaching.

Whereas the provision of CCTV cameras increased the security and safety of children and teaching staff as well as keeping school equipment safe from robbery or theft.

THE ADVANCEMENT OF COMMUNITY DEVELOPMENT

INDIA

Ramadan Aid 2022:

India is home to a quarter of all undernourished people worldwide according to WFP (World Food Programme), making the country a key focus for tackling hunger on a global scale. During the month of Ramadan, the consumption of certain food items and meal sharing increases amongst households. Households that were financially struggling to put food on the table before the pandemic started, are now in dire need of humanitarian assistance more than ever before due to the price inflation in India.

Although the month of Ramadan is a time dedicated to fasting and praying but the consumption and distribution of food holds a considerable significance during this period.

Every year the Mainstay Foundation with the help of the implementing partners on ground enables donors to celebrate and give thanks during the month of Ramadan by facilitating food distribution to people in need. In 2022 food baskets containing essential food items that were designed as per the dietary requirements of each region such as rice, oil, lentils, and more were given out. The Charity was able to make basic food items accessible for underprivileged households in the following areas:

- In the state of Uttar Pradesh, 5000 families received food packages.
- In Hyderabad, 2,500 families received food baskets
- Across Maharashtra, 1002 families received food baskets.
- With our partner who operates throughout India, 4504 food packages were given out across Maharashtra, Madhya Pradesh, Punjab, Bihar, Chattisgarh, Odisha, and Rajasthan.

Skill development project:

Large population, lack of vocational skills or low educational levels of the working population and post pandemic economy are some of the main reasons behind increasing number of unemployed youths struggling to secure a source of livelihood and provide for their family. India's unemployment rate fell further to 4.2% in 2020-21 despite this period witnessing two waves of the pandemic which had left millions of workers without work. To help people get back on their feet and sustain themselves in the long run livelihood project was initiated. Helping individuals from low socio-economic backgrounds to learn a new skill through our skill development Training and employability project. 252 people have benefited so far from training in different skills including courses in beauty therapy, tailoring, fabric painting, cooking classes, mobile phone repairing, through partners in Hyderabad.

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Maternal and child health programme:

Uttar Pradesh had the highest number of infant deaths per 1,000 births at 50 in 2021 followed by other states including Telangana and Gujarat. Studies have shown that states with high infant mortality of 30-40 (per 1,000 births) have preventable causes of death such as diarrhoea and sepsis.

Many of the deaths occur before children turn one in India. Infant deaths are the outcome of deep social problems such as malnutrition, sanitation, and immunisation, rather than just medical aspects.

Since almost half of all under-five deaths are among new-borns, many can be prevented by reaching higher coverage of good quality antenatal care, skilled care at birth, postnatal care for the mother and the baby, and care of small and sick new-borns said this 2019 report from the United Nations Children's Fund (UNICEF).

As household wealth and maternal education play an important role in infant and child mortality as well as the wellbeing of the expectant mother. With the help of our partners in India, TMF started a maternal and baby health support programme across Gujarat, Telangana and Uttar Pradesh that has so far supported 100 women.

This programme focuses on the health and wellbeing of the expectant mother and her new-born, by providing nutritional food items for the expectant and nursing mother, essential items for the baby, healthcare support and counselling for the expectant mother from her first trimester till birth of the child until the child turns two years of age. Apart from reducing the infant mortality rate, this programme shall also address the biggest problem of low birth weight of children and mother's poor nutrition in rural and tribal areas.

Vulnerable people support project:

With an estimated 40 million widows living in India today; the country has the world's largest population in the world. This initiative of supporting vulnerable women across Gujarat, Telangana and Uttar Pradesh in India is uplifting 408 women who have lost the only bread winner of the house and are now struggling to make ends meet. These widowed women are not only receiving financial support but also counselling and medical assistance.

Widows under the age of 45 are undertaking vocational skills training to earn their own livelihood and achieve financial independence, whereas as some have established their own small business as a result of micro finance support to sell homemade products including ready meals, from the comfort of their homes. This programme empowers one of the most vulnerable members of Indian society to live a life of dignity. To ensure women led households don't face food insecurity food parcels are also being provided to those in need.

Medical support and healthcare project:

There are several challenges in the current state of healthcare in India. Some of these include inadequate reach of basic healthcare services, shortage of medical personnel, quality assurance, and inadequate outlay for health. The biggest challenge the healthcare sector is facing currently is the shortage of skilled medical workforce. There is one government doctor for every 10,189 people in India, whereas the WHO recommendation is 1:1000.

In terms of affordability, healthcare is a calamity that throws an afflicted family into the jaws of poverty. About 55 million Indians were dragged into poverty in a single year due to patient-care costs, according to a study by the Public Health Foundation of India (PHFI).

Ill health puts tremendous financial burden on the families, also affecting their emotional well-being which can lead to psychological issues amongst others. To counter these difficulties, the Charity with the help of our implementing partners on ground started this medical project to offer subsidised clinics for treating general ailments.

This project also helped patients to manage the cost of cataract surgeries, cost of medications, diagnostic tests alongside financial assistance for the treatment of more serious life-threatening medical cases. Over 27442 individuals received medical support as a result.

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Emergency relief during Pandemic:

In our continuation of COVID support programme for development of communities', a grant was given for Covid-19 emergency aid. The emergency funding provided 3000 food baskets containing essential food items for families in need. Many people lost their lives due to the lack of availability of oxygen cylinders when India was going through a second wave of Covid. To provide emergency medical relief to patients during lockdown in India, 10 oxygen cylinders were distributed with the help of our partner on ground to prevent further deaths alongside medical support for those who were unable to afford treatment or medications as well rent assistance was also provided to 139 households across Maharashtra for families who were at the brink of becoming homeless.

Water Aid Projects:

According to UNICEF, less than 50% of the population in India has access to safely managed drinking water. Chemical contamination of water, mainly through fluoride and arsenic, is present in 1.96 million dwellings. It is estimated that waterborne diseases have an economic burden of approximately USD 600 million a year in India. This is especially true for drought- and flood-prone areas, which affected a third of the nation in the past couple of years. Excess fluoride in India may be affecting tens of millions of people across 19 states, while equally worryingly, excess arsenic may affect up to 15 million people in West Bengal, according to the World Health Organization.

Moreover, two-thirds of India's 718 districts are affected by extreme water depletion, and the current lack of planning for water safety and security is a major concern. One of the challenges is the fast rate of groundwater depletion in India, which is known as the world's highest user of this source due to the proliferation of drilling over the past few decades. Groundwater from over 30 million access points supplies 85% of drinking water in rural areas and 48% of water requirements in urban areas.

To make clean drinking water accessible for all of the following facilities were established across Lucknow:

- Schools (10 UEP Schools and 10 Other Schools), Public Water Supply Facility for Underprivileged Families (10 Locations)
- Clean and Cool Drinking Water Facility for Public on Busy Roads (10 Locations)
- Purified Drinking water for underprivileged households (500 families)

IRAQ

Ramadan Aid 2021:

The changing scenario of rising food prices, ongoing conflict and COVID outbreak has raised new concerns about food security in Iraq. Areas in and around Najaf comprise of largely slums with many people who are financially struggling daily due to lack of or no financial support, employment, and food security. Thousands of families in Najaf rely on stipends that they receive from different foundations which is below the normal living standard cost. Many families cannot afford a single meal for the day.

To help impoverished families of orphans, widows and destitute, with little or no income to sustain themselves throughout the holy month of Ramadan providing food aid has been our objective.

Since 2020 the Charity has been providing food security to thousands of needy families across Iraq during the month of Ramadan with the help of our partner organisation on the ground. With food parcels big enough to support an average family for a month comprising of staple food items such as rice, lentils, pasta, sugar, flour, tomato paste and more.

The Charity were able to achieve the distribution of 770 food packages amongst families of orphaned children, low-income households, teaching staff, students from the seminary.

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AFRICA

Ramadan Aid 2021:

Inflations has hit the poor and needy families across east Africa in a way that it is making it extremely difficult for people to get their basic needs met. Food prices has risen as well as the shortage of many food items, as a result of manmade and natural disaster.

High demand of wheat flour, sugar and cooking oil was witnessed across Tanzania, and these items were very high in price during the Holy Month of Ramadhan. This year the month of Ramadhan wasn't an easy one for many families who could not afford the most basic food items to break their daily fasts.

Post Covid – 19 situations whereby many people lost their source of income and their reliance on humanitarian assistance increased. During the Holy Month of Ramadhan due to the ongoing conflict in Europe there was a shortage of food items in Tanzania, increasing food insecurity amongst thousands of households living in villages as well as towns.

In Tanzania, our partner organisation distributed over 8000 food parcels across villages and centres in Arusha, Bukoba, Mwanza, Tabora, Zanzibar, Tanga and Pemba.

The Foundation worked with partners on the ground and were able to distribute 3180 food parcels across 15 villages across Kenya including Bahakanda, Burani, Miamba, Moyeni, Chengoni, Samburu, and more alongside 25 Independent Shia Centres. These villages were selected as they are located within arid and semi-arid regions (ASAL) of the country with high rate of poverty. Supplying food parcels to these centres and targeted areas allowed the congregants and encouraged the community to hold and observe the Holy month of Ramadhan with ease and dignity.

Emergency drought relief 2021:

East Africa region was hit by an 18-month drought caused by high temperatures. In September 2021, as people faced extreme hunger and millions of children were at the brink of starvation, the Government of Kenya declared the drought a national emergency. With an estimated 2.8 million people in dire need of humanitarian assistance, the Mainstay Foundation with the local partner on ground distributed essential food packs to 4000 affected households across Kenya. Alongside households in needs, local community centers, churches, and Mosques also benefited from the food aid project.

Water Projects:

Many villages in Kigoma region of Tanzania do not have access to water, sanitation, and hygiene facilities. Women and children have spent a lot of time in walking back and forth from the nearest water resource to fetch water for their daily use. The water available is not always fit for human consumption and the need for safe clean water has always been there.

Under the Charity's "Lady Fatima water Initiative" programme seven borewells were constructed across Tanzanian villages. Each borewell producing 5000-10000 litres of water for the local community comprising of villagers living in houses, local places of worship including Mosques and Churches, schools, clinics, dispensaries, and more catering to the needs of over 70,000 people on a regular basis.

Four desalination plants were installed across villages in Kenya in 2021 including Kilungu, Moyeni, Masongaleni, Shimoni. Each plant producing 2000 litres of clean safe drinking water per hour across all these areas promoting the growth of trees, helping farmers with crop production, and supporting households.

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The water project in Bukumbi, provided water from Lake Victoria in Kenya to the local community in Bukumbi where people were deprived of accessing water since the existing water facility broke down in 2020. Through this water project the local hospital (with a capacity of 150 beds) in the city of Mwanza alongside nearby village in Bukumbi is now providing clean water to over 30,000 beneficiaries including, medical staff and patients on a regular basis.

Sadaqa Qurbani Projects:

Buying meat is a luxury for many living in villages across east Africa who are subjected to extreme poverty and malnourishment.

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, more than 2000 families received meat packages of 2-3 kgs as a result of this project whereas in Kenya region also saw benefit with our sadaqa project which provided 8500 families with meat baskets.

Animal rearing livelihood projects:

The level of food insecurity is high within Tanzania. 15% of rural households are food insecure, with 15% more at risk of becoming food insecure. Food consumption is found to be poor in all households. Small farmers, wage labourers and household with low income are shown to have poor food consumption levels.

The Charity with the help of our implementing partner on ground provided each beneficiary household receives 1 male and 2 female Goats, or a calf and within a year it results in rearing more animals. These animals and their produce are later sold in the local markets to earn a sustainable income by these families across Tanzania.

All these animals are vaccinated and the households rearing these animals are fully supported throughout the farming process. This project has so far supported 221 low-income households across Mwanza (Mantare and Kisesa), Kilimanjaro (Kileo and Kikavu) and Morogoro (Rudewa) where most residents are accustomed to animal rearing. uplift the communities economically across villages in Mwanza, Morogoro, Pemba and Kilimanjaro and increase livelihood opportunities while improving the standard of living for the most disadvantaged and underprivileged households.

Seasonal and Religious Projects:

In the month of Muharram 6000 families across Tanzania and 3486 families benefited from food distribution after Majalis held at the centres across Kenyan villages during the month of Muharram, 4220 individuals benefited from the distribution of drinks served after Majalis during the month of Muharram and Safar.

THE ADVANCEMENT OF RELIGION

NORTH AMERICA & EUROPE

Media project:

This Multimedia content production of 50 videos for the educational development of youth was funded by the Charity to help today's generation reconcile with their faith. Media places a huge influence on young people's lives, many young Muslims are finding it difficult to amongst many other reasons. Our partner conducted focus groups which resulted in selecting a number of key themes which were the most pressing according to the western audience. The video content produced addressed the concerns that Shia Muslims had. This allowed them to learn more about the specific details in Islamic theology/history as well as other current affairs issues highlighting the Islamic faith.

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022

Moharrum Grants:

To commemorate the holy month of Muharram and be able to target and discuss societal issue that are prominent in the Shia Community throughout the UK. Grants were given out to many organisations, centres, Mosques and Hussainiyah's across Europe and US to bring communities together to revive the teachings of the Holy Ahlulbayt (AS) through a series of programmes arranged by the grant receiving organizations. A total of 31 organizations were supported across Europe and US.

For the Holy month of Ramadan, many centres across the UK were awarded with grants that helped these centres facilitate and organise religious events for youth, educational workshops for children to cater the spiritual needs of all age groups and diverse communities from across UK. From Quran recitations, congregational prayers, to provision of Iftaar and Suhoor meals thousands of attendees were able to benefit from these Ramadan programs and educational lectures.

Ramadhan Grants

During the month of Ramadan grant was awarded to 18 different organisations/centres across Europe and US to help Islamic centres to manage the cost of hiring guest speakers and arranging programs throughout the month for the local community who attend these centres on a regular basis.

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.

Financial review

During the reporting period the Charity reported strong numbers in terms of its aid work and donations raised.

The total income of the Charity for the reporting period was £2,639,592 (*15 months to 31 March 2021 - £2,764,968*) and the total expenditure amounted to £2,390,895 (*15 months to 31 March 2021 - £3,221,427*). This left a surplus of £248,696 (*15 months to 31 March 2021 – deficit of £456,459*).

Including support costs, which amounted to £181,283 (*15 months to 31 March 2021 - £179,787*) the Charity's expenditure was £1,567,475 (*15 months to 31 March 2021 - £2,064,483*) on the advancement of Community Development, £673,089 (*15 months to 31 March 2021 - £939,202*) on the advancement of Education and £150,331 (*15 months to 31 March 2021 - £217,742*) 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.

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022

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 £90,000/- 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 £90,000. The actual unrestricted reserve funds were £557,889 (*15 months to 31 March 2021 - £309,193*). The Trustees believe that there is a risk of reliance on a small number of donors and the higher reserve amount mitigates this risk till the Charity makes a strong presence on social media and raises more donation from public funding. As such, the Charity considers its current reserve fund sufficiently placed to cover its reserve policy.

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 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.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022

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 extraordinary 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 the 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: 17 January 2023

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: 17 January 2023

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 year ended 31 March 2022 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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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;
- 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: 27 January 2023

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 YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 31 March 2022 £	Restricted funds 31 March 2022 £	Total funds 31 March 2022 £	Total funds 15 months to 31 March 2021 £
Income from:					
Donations	3	2,490,367	149,224	2,639,591	2,764,968
Total income		2,490,367	149,224	2,639,591	2,764,968
Expenditure on:					
Charitable activities	4,5	2,254,334	136,561	2,390,895	3,221,427
Total expenditure		2,254,334	136,561	2,390,895	3,221,427
Net movement in funds		236,033	12,663	248,696	(456,459)
Reconciliation of funds:					
Total funds brought forward		309,193	-	309,193	765,652
Net movement in funds		236,033	12,663	248,696	(456,459)
Total funds carried forward		545,226	12,663	557,889	309,193

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 24 to 40 form part of these financial statements.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		1,150		673
			<hr/>	<hr/>	<hr/>
			1,150		673
Current assets					
Debtors	13	80,899		38,657	
Cash at bank and in hand	18	517,430		314,190	
		<hr/>	598,329		352,847
Creditors: amounts falling due within one year	14	(41,590)		(44,327)	
		<hr/>		<hr/>	
Net current assets			556,739		308,520
Total net assets			557,889		309,193
			<hr/>	<hr/>	
Charity funds					
Restricted funds	15		12,663		-
Unrestricted funds	15		545,226		309,193
			<hr/>	<hr/>	
Total funds			557,889		309,193
			<hr/>	<hr/>	

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

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Mr M Marashi

Chair

Date: 17 January 2023

The notes on pages 24 to 40 form part of these financial statements.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	31 March 2022	15 months to 31 March 2021
		£	£
Cash flows from operating activities			
Net cash used in operating activities	17	204,671	(458,488)
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(1,431)	-
Net cash (used in)/provided by investing activities		(1,431)	-
Change in cash and cash equivalents in the year		203,240	(458,488)
Cash and cash equivalents at the beginning of the year		314,190	772,678
Cash and cash equivalents at the end of the year	18	517,430	314,190

The notes on pages 24 to 40 form part of these financial statements

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 prior year financial statements were 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. As such, the financial periods reported are not directly comparable.

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 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. 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.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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 13. 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 14. 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

There are no critical areas of estimation.

THE MAINSTAY FOUNDATION
(A Charitable Incorporated Organisation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Income from donations

	Unrestricted funds	Restricted funds	Total funds
	31 March 2022	31 March 2022	31 March 2022
	£	£	£
Donations	2,490,367	149,224	2,639,591
Grants	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	2,490,367	149,224	2,639,591

Income from grants relates to £NIL received from Brent Council under the Small Business Grant Fund (SBGF) (15 months to 31 March 2021 - £10,000). There are no unfulfilled conditions or other contingencies attaching to grants recognised as income in either year.

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

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NOTES TO THE FINANCIAL STATEMENTS
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4. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds	Restricted funds	Total funds
	31 March 2022	31 March 2022	31 March 2022
	£	£	£
Advancement of education	669,437	3,652	673,089
Advancement of religion	150,331	-	150,331
Community development	1,434,566	132,909	1,567,475
Total 2022	2,254,334	136,561	2,390,895

	Unrestricted funds	Restricted funds	Total funds
	15 months to 31 March 2021	15 months to 31 March 2021	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

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

	Activities undertaken directly	Grant funding of activities	Support costs	Total funds
	31 March 2022	31 March 2022	31 March 2022	31 March 2022
	£	£	£	£
Advancement of education	-	622,054	51,035	673,089
Advancement of religion	37,391	101,542	11,398	150,331
Community development	-	1,448,625	118,850	1,567,475
Total 2022	37,391	2,172,221	181,283	2,390,895

	Activities undertaken directly	Grant funding of activities	Support costs	Total funds
	15 months to 31 March 2021	15 months to 31 March 2021	15 months to 31 March 2021	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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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

Analysis of support costs

	Total funds 31 March 2022 £	Total funds 15 months to 31 March 2021 £
Staff costs	118,324	86,583
Depreciation	954	926
Rent	14,400	18,074
Legal and other professional fees	14,971	34,562
Insurance	1,365	993
Telephone	154	79
Other office costs	1,292	1,024
Bank charges	1,269	446
IT and Digital	4,934	4,345
Advertising and Marketing	3,556	2,162
Travel costs	6,538	7,000
Foreign exchange (gain)/loss	(951)	9,980
Governance costs	12,840	11,568
Human Resources	1,637	2,045
Total	181,283	179,787

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Analysis of grants - by activity

	Grants to	Grants to	Total
	Institutions	Individuals	funds
	31 March	31 March	31 March
	2022	2022	2022
	£	£	£
Advancement of education	622,054	-	622,054
Advancement of religion	99,542	2,000	101,542
Community development	1,448,625	-	1,448,625
Total 2022	2,170,221	2,000	2,172,221

	Grants to	Grants to	Total
	Institutions	Individuals	funds
	15 months to	15 months to	15 months to
	31 March	31 March	31 March
	2021	2021	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

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7. Analysis of grants - by recipient

	31 March 2022	15 months to 31 March 2021
	£	£
The Federation of Khoja Shia Ithna-Asheri Jamaats of Africa	350,616	306,554
Alimaan Charitable Trust	30,000	221,000
Mainstay Foundation (US)	22,784	56,462
Dar Al-Zahra School	244,569	261,894
Husaini Education	52,880	-
The Khoja Shia Ithna Ashari Medical Aid & Welfare Society	100,000	195,000
Ramadhan Relief (see Note 8 for analysis)	751,106	1,370,334
Tauheedul Muslimeen Trust	325,250	368,827
Muharram - Grant UK Institutes	25,400	6,200
Muharrum - Grant UK Individuals	2,000	4,000
Kesar baug	53,000	-
Helping Hands	214,616	112,500
Dawn Foundation	-	50,000
Total	2,172,221	2,952,771

8. Ramadhan Relief

	31 March 2022	15 months to 31 March 2021
	£	£
Alimaan Charitable Trust	100,000	116,350
Tauheedul Muslimeen Trust	110,000	191,173
The Federation of Khoja Shia Ithna-Asheri Jamaats of Africa	390,000	507,415
Anwar Al-Najafia	-	322,957
The Khoja Shia Ishna Ashari Medical Aid & Welfare Society	29,000	64,000
Dar Al-Zahra School	38,382	113,439
Helping Hands	32,366	55,000
Mainstay Foundation (US)	21,858	-
Other institutions - Ramadan	29,500	-
Total	751,106	1,370,334

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NOTES TO THE FINANCIAL STATEMENTS
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9. Governance costs

	31 March 2022 £	15 months to 31 March 2021
Auditor's remuneration - Other services	3,000	3,528
Auditor's remuneration - Audit of the financial statements	9,840	8,040
	12,840	11,568

10. Staff costs

	31 March 2022 £	15 months to 31 March 2021
Wages and salaries	114,804	83,239
Social security costs	3,115	3,344
Pension costs	405	-
	118,324	86,583

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

	31 March 2022 No.	15 months to 31 March 2021 No.
Number of staff	5	3

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

11. 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 (*15 months to 31 March 2021 - £NIL*).

During the period there were £875 of travel expenses reimbursed or paid directly to 1 Trustee (*15 months to 31 March 2021 - £NIL to no Trustees*).

THE MAINSTAY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2021	3,040
Additions	1,431
At 31 March 2022	<u>4,471</u>
Depreciation	
At 1 April 2021	2,367
Charge for the year	954
At 31 March 2022	<u>3,321</u>
Net book value	
At 31 March 2022	<u>1,150</u>
At 31 March 2021	<u>673</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Debtors

	2022 £	2021 £
Due within one year		
Prepayments and accrued income	80,899	38,657
	80,899	38,657
	=====	=====

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals	17,284	14,327
Grants payable	24,306	30,000
	41,590	44,327
	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

15. Statement of funds

Statement of funds - current period

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General Funds	309,193	2,490,367	(2,254,334)	545,226
Restricted funds				
Lady Fatima Well	-	145,572	(132,909)	12,663
World Federation	-	3,652	(3,652)	-
	-	149,224	(136,561)	12,663
Total of funds	309,193	2,639,591	(2,390,895)	557,889

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 YEAR ENDED 31 MARCH 2022

15. Statement of funds (continued)

Statement of funds - prior 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

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NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,150	-	1,150
Current assets	585,666	12,663	598,329
Creditors due within one year	(41,590)	-	(41,590)
Total	545,226	12,663	557,889

Analysis of net assets between funds - prior 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

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

	2022 £	15 months to 2021 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	248,696	(456,459)
Adjustments for:		
Depreciation charges	12	954
Increase in debtors	13	(42,242)
(Decrease)/increase in creditors	14	(2,737)
Net cash provided by/(used in) operating activities	204,671	(458,488)

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

	2022 £	2021 £
Cash in hand	517,430	314,190
Total cash and cash equivalents	517,430	314,190

19. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	314,190	203,240	517,430
	314,190	203,240	517,430

20. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £405 (*15 months to 31 March 2021 - £NIL*). Contributions totalling £NIL (*15 months to 31 March 2021 - £NIL*) were payable to the fund at the year end.

21. Related party transactions

During the period the Charity benefited from restricted donations of £1,200 and £200 from Dr Riyaz Amirali Kaba and Hassan Al Hakeem respectively (*15 months to 31 March 2021 - unrestricted donations of £490 donated by a Trustee*).