

**ISLAMIC EDUCATIONAL & RECREATIONAL
INSTITUTE**

UNAUDITED FINANCIAL STATEMENTS

FOR

31 DECEMBER 2022

Charity Number 1050898

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ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

Registered charity name Islamic Educational & Recreational Institute

Charity number 1050898

Registered office 165-169 The Broadway
Southall
Middlesex
UB1 1LR

Trustees Mr. A Rauf
Mr. M Asghar
Mr. S Khurram
Mr. A H Bhatti
Mr. A R Bhatti
Mr. M A Khan
Mr. M H Khan
Mr Z H Abbasi
Mr A A Khan

Independent examiner MFK Accountants
135C The Broadway
Southall
Middlesex
UB1 1LW

Bankers Lloyds Bank
Station Road
Harrow
HA4 3EB

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

TRUSTEES ANNUAL REPORT YEAR ENDED 31 DECEMBER 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

The Trustees

The trustees who served the charity during the period were as follows:

Mr A Rauf
MR M Asghar
Mr S Khurram
Mr A H Bhatti
Mr A R Bhatti
Mr M A Khan
Mr M H Khan
Mr Z H Abbasi
Mr A A Khan

STRUCTURE and MANAGEMENT GOVERNANCE DOCUMENT

Islamic Educational & Recreational Institute (**IERI**) is constituted as a charitable Trust and was registered with the Charity Commission on 31st October 1995, under the charity number 1050898. It is governed by a Deed of Trust.

ORGANISATIONAL STRUCTURE

The Trustees are responsible for the general control and management of the Institution.

The Trustees give their time freely and receive no monetary compensation or any other financial benefits.

The Trustees meet regularly, and also when specific need arises. They are responsible for all decisions taken in relation to the running and maintenance of the Mosque, including the activities of the Institution.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

RISK MANAGEMENT

The Trustees assess the risks the Institute faces and continually try to mitigate any identified risks.

Fire Risk assessments are carried out, and the Fire Alarm system is monitored 24/7 with procedures to alert the fire services.

DBS criminal record checks for appropriate personnel are regularly processed and kept up to date.

The Trustees also ensure suitable insurance covers are maintained and the Health and Safety regulations are met.

AIMS AND OBJECTIVES

The object of the Institution is set out in the Charity's Trust deeds.

- For the advancement of the Islamic religion, particularly in accordance with the principles of the Muslim faith.
- For the advancement of Education

For the benefit of the inhabitants of Southall and surrounding areas in social, civic and cultural affairs.

The Trustees review these objectives regularly to ensure demands and needs of the community are met.

STRATEGIES

We ensure our Institution is a welcoming venue for all sectors of the Muslim community, as well as people of different faiths.

In accordance with the principles of Islam, we distribute Sadaqah, Zakat and Fitranah to the needy in the UK, and internationally (particularly Pakistan, India, Bangladesh, Africa, and other disaster-struck areas) to cover their basic needs of shelter, food, clothing and urgent financial support.

During the period under review, there were no relief fund distributions because we were reviewing our procedure to ensure compliance with our obligations.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

An important part of our strategy is community welfare and education. All of our community facilities and activities including classes, health initiatives and seminars welcome the participation of the local multi-faith community. Most of our activities are free and supported by donations. Services are also provided by the NHS and the Fire Department to bring awareness to the community.

USE OF VOLUNTEERS

Volunteers play an important role in both our faith and community work. We have over 15 people regularly giving their time. We encourage all members of our Mosque to be involved in voluntary activities and to share skills with others.

GRANT MAKING POLICY

The Institution relies mainly on donations from the worshippers for various disaster appeals arising from natural calamities around the world, where fundraising and aid decisions are made by the Trustees.

The Institution also donates money to educational and welfare charities in those countries. Whenever possible, our Trustees personally oversee the distribution of funds in the affected areas. We work with partner organizations, when necessary, to identify the direness of the circumstances, and allocate the donations accordingly.

The donation procedure is strictly controlled by the Donation Request and Award approved by the trustees.

ACTIVITIES AND ACHIEVEMENTS

Means of Delivering Public Benefits

We have a wide range of activities in pursuance of charitable aims.

We believe that these activities mentioned below provide benefits to both the attendees of the Mosque and the wider community of Southall and surrounding areas.

Religious Activities

Prayers

The Mosque is open daily from dawn till late for prayers. We estimate around 400 people regularly attend daily prayers, and around 3,000 who attend Friday / Eid prayers.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Ladies Prayer Hall

Ladies prayer facilities are also provided in separate dedicated area, along with the essential ablution and toilet facilities. This facility not only serves the local worshippers but also to visitors alike.

Festivals and Events

The Mosque arranges special programs and events during the festival seasons. There are also special programs held in the Holy month of Ramadhan. Food is provided by the members of the community, for approximately 400 people daily, for Iftar (breaking of fasts) over a period of 30 days. Every year we also celebrate the birthday of our Holy Prophet (PBUH), namely Eid Milad-Un-Nabi, and other days of Islamic significance like Miraj-Un-Nabi, Lailatul Qadr (the Night of Power), and the event of Karbala.

Radio Transmission of Programmes

Abu Bakr Mosque radio transmitters provide, Adhan, Prayers, Lectures and special events. Approximately over 800 households are able to enjoy and benefit from these programmes in the comfort of their homes. Radio receivers are available to buy in our book shop which is located on the premises.

Nikah

Our Imams perform Nikah Ceremonies which are available to the local Muslim community.

Inter-faith Dialogue

The Mosque is an active member of the inter-faith group and also hosts such meetings when required.

Educational Activities: Ayesha Siddiqah Girls High School

An Independent secondary school for girls which was established in year 2007. It is a registered school complying with the Department for Education regulations. The full National Curriculum teaching is covered at this school.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

The last Ofsted inspection rated our school as 'GOOD'. Our GCSE exam results are consistently above the national average in most subjects.

Principle funding sources

The Institutions' main source of income is donations from both the attendees of the Mosque and the wider community. Donations are usually more significant on Fridays, during Ramadhan and during special festivals.

Our future plans

Trustees continue to devote more effort in the improvement and expansion of the services that the charity offers.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Financial Review


The charity's accounts for the 12 months period ending 31st December 2022 show an income of £629,502 and expenditure of £716,194. The Charity's income included Donation / collection of £330,487, Book Sale of £1,480, School fee of £245,041 and Rental income of £52,494. The trustees consider that the money raised, has been improved over the last year, which was adversely impacted by the pandemic. Similarly the cost related to raising the fund were also higher compared to previous years.

The major part of expenditure is spent on salaries to all the staff. An amount of £395,610 was paid out as salaries. CJRS grant of £67,671 received on account of Covid pandemic in 2021 was not available in 2022. An amount of £146,802 was spent on Premises cost which included light, heating repair /maintenance, cleaning, rates/water. During the year, an amount of £76,032 was paid to Ealing Council on account of arrears pertaining to business rates relating to the period from 2018 till 2022. The trustees are in discussion with the Council for obtaining a reduction on the rates determination and to get a refund on the business rate arrears collected by the Council. An amount of £27,451 was spent on resources and school/madrassa activities to attain income. An amount of £29,077 was spent on Legal fees for an ongoing case and legal support. Other overhead charges such as insurance and depreciation to run the Mosque amounted to £101,783. A detailed break up of all the expenses is given under notes to the financial statements.

Reserves Policy

It is the charity's policy to maintain a balance on unrestricted funds (if possible), which equates to at least one month's unrestricted payments, equivalent to £65,000, to cover emergency situations that may arise from time to time. The balance of £2,730,414 held on unrestricted funds, at the year-end has met this requirement.

It is our policy to invest our funds balances on property or any low to moderate risk investments. All the investment decisions have to be authorized by all the trustees.


.....
M H Khan
(On behalf of all of the Trustees)
165-169 The Broadway
Southall
Middlesex
UB1 1LR

Dated: 27 October 2023

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Independent Examiner's Report to the Trustees of ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act'). The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of the Chartered Certified Accountants (ACCA), which is one of the listed bodies.

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

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

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



.....
MFK Accountants Ltd
Chartered Certified Accountants
135C The Broadway, Southall
Middlesex. UB1 1LW

Dated: 27 October 2023

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Statement of Financial Activities

Year Ended 31 December 2022

		Amounts in GBP (£) 000's			
	Notes	2022			2021
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Income and Endowments					
Donations and Legacies	4	243,584	86,904	330,487	127,211
Other Trading Activities	5	246,521		246,521	226,013
Investment Income	6	52,494		52,494	57,426
Other Income	7	0		0	4,001
Total Income		542,599	86,904	629,502	414,651
Expenditure					
Expenditure on raising funds:					
Cost of raising donations and legacies	8	0	0	0	450
Costs of other trading activities	9	1,150	0	1,150	-839
Expenditure on charitable activities	10	715,044	0	715,044	534,644
Total Expenditure		716,194	0	716,194	534,255
Net (losses) / gains on investments	12	0	0	0	0
Net Income and Net Movement in Funds	13	-173,595	86,904	-86,692	-119,604
Reconciliation of Funds					
Total funds brought forward	22	2,904,009	69,458	2,973,467	3,093,071
Total Funds carried forward		2,730,414	156,361	2,886,775	2,973,467

The statement of financial activities includes all gains and losses recognised in the year.

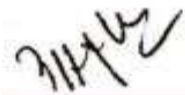
All income and expenditure derive from continuing activities.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

**Statement of Financial Position
Year Ended 31 December 2022**

	Note	Amounts in GBP (£) 000's	
		2022	2021
Fixed Assets			
Tangible fixed assets	16	1,872,143	1,968,926
Investments	17	832,500	832,500
		2,704,643	2,801,426
Current Assets			
Stocks	18	2,350	3,500
Debtors	19	30,000	30,000
Cash at bank and in hand	20	297,148	236,649
		329,498	270,149
Creditors: falling due within one year	21	147,366	98,108
Net Current Assets		182,133	172,041
Total Assets less Current Liabilities		2,886,775	2,973,467
Funds of the Charity			
Restricted funds		156,361	69,458
Unrestricted funds		2,730,414	2,904,009
Total Charity funds	22	2,886,775	2,973,467

These financial statements were approved by the board of trustees and authorised for issue on 27 Oct 2023



Trustee
(On behalf of all of the Trustees)

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Statement of Cash Flows

Year Ended 31 December 2022

	Note	Amounts in GBP (£) 000's	
		2022	2021
Cash flows from operating activities			
Net Income		-86,692	-119,604
Adjustments:			
Depreciation of tangible fixed assets		96,783	108,388
Net (losses) / gains on investments		0	0
Dividend, interest and rents from investments		-52,494	-57,426
Interest Payable and simialr charges		997	275
Gains on disposal of programme related investments		0	-4,001
		45,286	47,236
Net Changes:			
Stocks		1,150	0
Trade and other debtors		0	10,720
Trade and other creditors		50,258	9,596
		51,408	20,316
Cash generated from operating activities		10,002	-52,052
Interest paid		-997	-275
Net cash from operating activities		9,005	-52,328
Cash flows from investing activities			
Dividends, interest and rents from investments		52,494	57,426
Purchase of tangible assets		0	-11,501
Proceeds from sale of social investments		0	4,001
Proceeds form sale of other investments		0	0
Net cash (used in) / from investing activities		52,494	49,926
Cash flows from financing activities			
Proceeds from borrowings		-1,000	-35,000
Net cash used in financing activities		-1,000	-35,000
Net (decrease) / increase in cash and cash equivalents		60,499	-37,401
Cash and cash equivalents at beginning of the year		236,649	274,051
Cash and cash equivalents at end of the year	20	297,148	236,649

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements *(continued)* Year Ended 31 December 2022

1 General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 165-169 The Broadway, Southall, Middlesex, UB1 1LR

2 Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3 Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- o income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- o legacy income is recognised when receipt is probable and entitlement is established.
- o income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- o income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued) Year Ended 31 December 2022

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- o expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- o expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity
- o other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Building improvements	- 12% reducing balance
Fixtures & Fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Equipment	- 25% reducing balance

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in income or expenditure

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

4 Donation and Legacies

	Amounts in GBP (£) 000's	
	2022	2021
Donation and Legacies - Unrestricted funds		
Donations and collections	187,144	83,600
Madrasa collections	54,160	27,552
Nikah registration fee	2,280	3,240
Total Donation and Legacies - Unrestricted funds	243,584	114,392
Donation and Legacies - Restricted funds		
Donations - relief fund	86,904	12,819
Total Donation and Legacies - Restricted funds	86,904	12,819
Total Donation and Legacies	330,487	127,211

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

5 Other Trading Activities

	Amounts in GBP (£) 000's	
	2022	2021
Other Trading Activities - Unrestricted funds		
Book shop income	1,480	0
School Fees	245,041	226,013
Total Other Trading Activities - Unrestricted funds	246,521	226,013
Total Other Trading Activities - Restricted funds	0	0
Total Other Trading Activities	246,521	226,013

6 Investment Income

	2022	2021
Investment Income - Unrestricted funds		
Income from investment properties	52,494	57,426
Total Investment Income - Unrestricted funds	52,494	57,426
Total Investment Income - Restricted funds	0	0
Total Investment Income	52,494	57,426

7 Other Income

	2022	2021
Other Income - Unrestricted funds		
Tax recovered under Gift Aid Scheme	0	4,001
Total Other Income - Unrestricted funds	0	4,001
Total Other Income - Restricted funds	0	0
Total Other Income	0	4,001

8 Cost of Raising Donations and Legacies

	2022	2021
Cost of Raising Donations and Legacies - Unrestricted funds		
Donations - other motor / travel costs and collections	0	0
Donations - other cost	0	0
Total Cost of Raising Donations and Legacies - Unrestricted funds	0	0
Cost of Raising Donations and Legacies - Restricted funds		
Donations - other cost	0	450
Total Cost of Raising Donations and Legacies - Restricted funds	0	450
Total Cost of Raising Donations and Legacies	0	450

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

9 Cost of Other Trading Activities

	Amounts in GBP (£) 000's	
	2022	2021
Cost of Other Trading Activities - Unrestricted funds		
Book shop costs - opening stock	3,500	3,500
Book shop costs - purchases	0	-839
Book shop costs - closing stock	-2,350	-3,500
Total Cost of Other Trading Activities - Unrestricted funds	1,150	-839
Total Cost of Other Trading Activities - Restricted funds	0	0
Total Cost of Other Trading Activities	1,150	-839

10 Expenditure on Charitable Activities by Fund Type

	Amounts in GBP (£) 000's	
	2022	2021
Expenditure on Charitable Activities by Fund Type - Unrestricted funds		
Expenditure - Unrestricted Funds	715,044	534,644
Total Expenditure on Charitable Activities by Fund Type - Unrestricted funds	715,044	534,644
Total Expenditure on Charitable Activities by Fund Type - Restricted funds	0	0
Total Expenditure on Charitable Activities by Fund Type	715,044	534,644

11 Expenditure on Charitable Activities by Activity Type

	Amounts in GBP (£) 000's	
	2022	2021
Activities undertaken directly	715,044	534,644
Total Expenditure on Charitable Activities by Activity Type	715,044	534,644

12 Net (losses) / gains on Investments

	Amounts in GBP (£) 000's	
	2022	2021
Net (losses) / gains on Investments - Unrestricted funds		
Gains / (losses) on Other Investments	0	0
Total Net (losses) / gains on Investments - Unrestricted funds	0	0
Total Net (losses) / gains on Investments - Restricted funds	0	0
Total Net (losses) / gains on Investments	0	0

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

13 Net Income

	Amounts in GBP (£) 000's	
	2022	2021
Net Income is stated after charging / (crediting):		
Depreciation of tangible fixed assets	96,783	108,388
Total Net Income	-86,692	-119,604

14 Staff Costs

	Amounts in GBP (£) 000's	
	2022	2021
Wages & Salaries	377,325	371,526
Social Security Costs	18,285	17,086
Total Staff Costs	395,610	388,612
Average head-count of employees during the year	29	34

During the year, no employee received employee benefits of more than £60,000

15 Trustee Remuneration and Expenses

During 2022, the Charity remained under the control of Trustees and Management Committee members as listed on page 3. None of the trustee or management committee member were remunerated or paid any expenses.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

16 Tangible Fixed Assets

	Amounts in GBP (£) 000's	
	2022	2021
Land and Buildings		
Cost at the start of the period	3,872,380	3,860,879
Additions / deletions during the period	0	11,501
Cost at the end of the period	3,872,380	3,872,380
Accumulated Depreciation at the start of the period	1,918,773	1,815,491
Depreciation charge for the year	92,953	103,281
Accumulated Depreciation at the end of the period	2,011,726	1,918,773
Net carrying amount of Land and Buildings at the end of the period	1,860,654	1,953,607
Fixtures & Fittings		
Cost at the start of the period	87,451	87,451
Additions / deletions during the period	0	0
Cost at the end of the period	87,451	87,451
Accumulated Depreciation at the start of the period	78,210	75,129
Depreciation charge for the year	2,311	3,081
Accumulated Depreciation at the end of the period	80,520	78,210
Net carrying amount of Fixtures & Fittings at the end of the period	6,930	9,241
Equipment		
Cost at the start of the period	45,223	45,223
Additions / deletions during the period	0	0
Cost at the end of the period	45,223	45,223
Accumulated Depreciation at the start of the period	39,145	37,119
Depreciation charge for the year	1,519	2,026
Accumulated Depreciation at the end of the period	40,664	39,145
Net carrying amount of Equipment at the end of the period	4,559	6,078
Total Assets		
Cost at the start of the period	4,005,053	3,993,552
Additions during the period	0	11,501
Deletions / disposals during the period	0	0
Cost at the end of the period	4,005,053	4,005,053
Accumulated Depreciation at the start of the period	2,036,127	1,927,740
Deletion / Disposals for the year	0	0
Depreciation charge for the year	96,783	108,388
Accumulated Depreciation at the end of the period	2,132,910	2,036,127
Net carrying amount of Total Assets at the end of the period	1,872,143	1,968,926

Land and buildings, includes freehold land. Depreciation is not charged on freehold land amount £1,024,076

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

17 Investments

	Amounts in GBP (£) 000's	
	2022	2021
Investment property		
Cost at the start of the period	832,500	832,500
Additions / deletions during the period	0	0
Fair value movements	0	0
Impairment	0	0
Net carrying amount of Investment property at the end of the period	832,500	832,500

All investments shown above are held at valuation.

Investment properties

Valuation of investment property provided by trustees confirmed by online means. No change in year indicated.

18 Stocks

	Amounts in GBP (£) 000's	
	2022	2021
Raw materials and consumables	2,350	3,500

19 Debtors

	Amounts in GBP (£) 000's	
	2022	2021
Other Debtors	30,000	30,000

20 Cash & Cash Equivalents

	Amounts in GBP (£) 000's	
	2022	2021
Cash and cash equivalents comprise of the following:		
Cash in hand	60	12
Cash at Bank	297,089	236,638
Bank overdrafts	0	0
Total Cash & Cash Equivalents at the end of the period	297,148	236,649

21 Creditors: amounts falling due with in one year

	Amounts in GBP (£) 000's	
	2022	2021
Ceditors falling due with in a year comprise of the following:		
Bank loans, loans and overdrafts	46,800	47,800
Social Security and other taxes	63,664	13,167
Other creditors	36,901	37,141
Total Creditors: amounts falling due with in one year at the end of the period	147,366	98,108

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Notes to the Financial Statements (continued)
Year Ended 31 December 2022

22 Analysis of Charitable Funds

	Amounts in GBP (£) 000's	
	2022	2021
General Charitable funds - Unrestricted		
At the start of the period	2,580,903	2,712,877
Income during the period	542,599	401,832
Expenditure during the period	-716,194	-533,805
Gains & (losses)	0	0
Total General Charitable funds - Unrestricted at the end of the period	2,407,308	2,580,903
Fair value reserves - Unrestricted		
At the start of the period	323,106	323,106
Income during the period	0	0
Expenditure during the period	0	0
Gains & (losses)	0	0
Total Fair value reserves - Unrestricted at the end of the period	323,106	323,106
Total Analysis of Charitable Funds - Unrestricted, at the end of the period	2,730,414	2,904,009
Restricted Funds		
At the start of the period	69,458	57,089
Income during the period	86,904	12,819
Expenditure during the period	0	-450
Gains & (losses)	0	0
Total Restricted Funds at the end of the period	156,361	69,458
Total Funds at the end of the period	2,886,775	2,973,467
23 Analysis of Net Assets Between Funds		
Net Assets - Unrestricted		
Tangible Fixed Assets	2,704,643	2,801,426
Current Fixed Assets	25,772	102,584
Total Net Assets - Unrestricted at the end of the period	2,730,414	2,904,009
Net Assets - Restricted		
Tangible Fixed Assets	0	0
Current Fixed Assets	156,361	69,458
Total Net Assets - Restricted at the end of the period	156,361	69,458
Total Net Assets		
Tangible Fixed Assets	2,704,643	2,801,426
Current Fixed Assets	182,133	172,041
Total Total Net Assets at the end of the period	2,886,775	2,973,467

24 Related parties

During the year the Charity was under the control of Trustees and Management Committee members as listed on page 3. None of the trustee or management committee member were remunerated or paid any expenses. However, they used the facilities offered by the Charity for performance of their religious duties like other members of the Muslim community.

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Management Information
Year Ended 31 December 2022

The following pages do not form part of the financial statements

ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

**Management Information
Year Ended 31 December 2022**

Income and Endowments

Amounts in GBP (£) 000's

Donation and Legacies

Donations and collections

Donations - Relief Fund

Madrasa collections

Nikah registration fee

Total Donation and Legacies

2022	2021
187,144	83,600
86,904	12,819
54,160	27,552
2,280	3,240
330,487	127,211

Other Trading Activities

Book shop income

School Fees

Total Other Trading Activities

1,480	0
245,041	226,013
246,521	226,013

Investment Income

Income from investment properties

Total Investment Income

52,494	57,426
52,494	57,426

Other Income

Tax recovered under Gift Aid Scheme

Total Other Income

4a

0	4,001
0	4,001

Total Income

629,502	414,651
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ISLAMIC EDUCATIONAL & RECREATIONAL INSTITUTE

Management Information

Year Ended 31 December 2022

		Amounts in GBP (£) 000's	
		2022	2021
Expenditure on charitable activities			
Wages and salaries		377,325	371,526
Employer's NIC		18,285	17,086
Grant - Job Retention Scheme		0	-67,671
Rates and water		77,922	1,885
Light and heat		41,505	19,968
Repairs and maintenance		27,374	14,831
Insurance		5,000	7,808
Other establishment		808	3,211
Legal, professional and accountancy fees		30,077	33,182
Telephone		1,733	2,537
Equipment Hire		1,795	4,099
Security		0	4,032
Other office costs		27,451	10,951
Depreciation		96,783	108,388
Interest on bank loans and overdrafts		997	275
Staff Training		591	456
Entertainment		0	0
Bank charges		2,081	1,887
Printing, postage and stationery		5,316	194
		715,044	534,644
Total expenditure		716,194	534,255
Net (losses) / gains on investments			
Gains / (losses) on other investment assets		0	0
Net income		-86,692	-119,604
Cash & Cash Equivalents		Amounts in GBP (£) 000's	
		2022	2021
Cash and cash equivalents comprise of the following:			
Cash in hand		60	12
Cash at Bank			
Lloyds TSB Deposit Acc 2934134		0	0
Lloyds TSB Mosque Acc 2933928		23,647	34,988
Lloyds TSB Book shop Acc 2934576		36,113	34,633
Lloyds TSB Madrasa Acc 2933804		26,310	1,599
Islamic BB School Acc 01015802	AL Rayan Bank	0	0
Islamic BB Property Acc 0105803	AL Rayan Bank	-24	-24
Lloyds Property Acc 41023568		34,310	43,594
Lloyds TSB School Acc 41024660		20,371	52,390
Lloyds Relief Fund 41023160		156,361	69,458
HLB Relief Fund Acc 70012905		0	0
		297,089	236,638
Bank overdrafts		0	0
Total Cash & Cash Equivalents at the end of the period		297,148	236,649