

**di** DiscoverIslam

**COMPANY NUMBER: 7269783**

**CHARITY REGISTERED NUMBER: 1146212**

**DISCOVER ISLAM EUROPE LIMITED**

**DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE PERIOD ENDED 31 December 2022**

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*Legal and administrative information***Discover Islam Europe is a charitable company limited by guarantee**

Date formed: 1 June 2010

Date registered as a charity: 2nd March 2012

Website: [www.discoverislam.co.uk](http://www.discoverislam.co.uk)

**Board of Trustees**

Sameh Ramadan (Chair)

Naif Sheikh (Trustee)

**Registered  
Office**

7 Bridges Place  
Parsons Green  
Fulham, SW6 4HW

**Principal Office**

7 Bridges Place,  
London SW6 4HW

**Bankers**

Barclays Bank

20 Fulham Broadway,  
Fulham, London SW6  
1AH

**Independent Examiner**

HRHS Accountancy  
41 Revere Way,  
Epsom, United Kingdom, KT19 9RQ

**Solicitors**

Lee Bolton Monier-Williams  
1 the Sanctuary, Westminster,  
London, SW1P 3JT

WHO

# WE ARE

Discover Islam is a registered charity in London, UK. We are committed to bringing about Peace, Harmony and Goodwill through knowledge of Islam. We are dedicated to educate people about the true message of Islam and promote a better understanding of the religion & clear misconceptions. Our area of work covers: **Primary & Secondary schools Colleges & Universities Islamic and Cultural Exhibitions 3D Models & VR Quran and Literature Distribution Digital and Print Media Online Campaigns and Marketing.**

## OUR VISION:

“Everyone, everywhere has access to the simple message of Islam”

## OUR MISSION:

To be the leading Islamic information organisation in Europe providing innovative resources and services to advance the education of the public in Islam, and to promote a better understanding of Islam.

## OUR MAIN OBJECTIVES

### Objectives

- To deliver presentations on Islam for schools and colleges
- To support the delivery of the RE syllabus in schools and colleges with teaching and learning resources
- To organise courses for teachers on how to deliver information about Islam
- To organise Introduction to Islam courses for schools, colleges, universities and public organisations
- To organise and support Islam Awareness Exhibitions for public and private organisations and local communities
- To organise and support mosque open days for local communities
- To organise and support mosque tours for schools, colleges and local communities
- To participate on interfaith panels at schools, colleges, universities and in public venues
- To produce and disseminate Islamic informative material to schools, colleges, universities, organisations, public figures and institutions and upon request

## Schools & Education

**Educating  
the  
next  
generation**

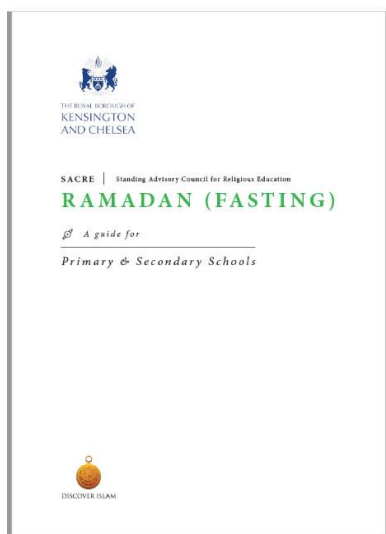
**Over 150 SCHOOL VISITS& MOSQUE TOURS IN 2022**



**Presentations  
& Mosque  
Tours**

### **School Project**

As part Religious Education in the education sector, we organize mosque tours, exhibitions, presentation on Islam with question & answer sessions. Post pandemic we have become fully functional and grown past our pre pandemic levels of success. During 2022 we have completed over 150 school visits and mosque Tours.



### School Services

Discover Islam specialises in providing bespoke services for primary & secondary schools, colleges and even universities

We are part of various SACRE (Standing Advisory Council for Religious Education) and have great experience in streamlining RE syllabus specific to Islam and dealing with issues regarding Muslim students

Our Ramadan guidance booklets have been a huge success and we have worked closely with a number of boroughs to provide education for staff and students on their fellow pupils and colleagues who might be fasting during the holy month of Ramadan, 2022. Reviews take place annually with a number of local SACRE's

### School Visits

Children get to experience a mosque environment, see Muslims pray, socialise and ask questions to the Imam and leaders of the Mosque

We also help and train local Imams to visit local schools and do Assembly presentations and specific lessons are delivered for Primary & Secondary School children. Imam will introduce their job and day to day activities. They will do a live call to prayer and recitation of the Holy Quran and learn about Arabic letters and numbers.

### Schools Online/virtual



Post pandemic we have continued using our online services to reach schools that we were inaccessible previously.



## Exhibition Project

### Islamic Cultural Exhibition



We help Mosque and Islamic centres to provide an environment of openness and willingness is created to present Islam. Discover Islam exhibition has an attractive display material with bespoke banners, artifacts, posters & banners.

This has become one of our most effective projects in promoting a better understanding of Islam & clearing misconceptions.





**All visitors  
receives a gift box  
at our exhibition**

It contains a copy of the Holy Quran, Seerah Booklets on Islam and some sweets and or chocolates. The exhibition provides the visitor an opportunity to ask questions about Islam on 1 to 1 basis which in return allows the person to have a better & clear understanding of Islam.

We have on average of 200-300 visitors at our events. Some events attract more visitors than others. Our Cambridge exhibition have on average 1500-2000 visitors each year.

## STATEMENT OF DIRECTORS/TRUSTEES' RESPONSIBILITIES

Discover Islam Europe Trustees (who are also directors for the purposes of company law) are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law of the United Kingdom's Accounting Standards.

Companies/Charity Law requires the Trustees to prepare yearly financial statements, giving a true and accurate state of affairs of the charity and the incoming resources and application of resources. This includes income and expenditure for the period.

The Trustees have the responsibility of keeping adequate accounting records that disclose reasonable accuracy at any time of the financial position of the charity, to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. Trustees are also responsible to safeguard the assets of the charitable company and reasonable steps must be taken for the prevention and detection of fraud and other irregularities.

In order to prepare these financial statements, trustees are required to do the following:

- Observe methods and principles in the Charities SORP 2015 (FRS 102)
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Select suitable accounting policies and apply them consistently.
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

So far the Trustees are aware that:

- There is no relevant audit information of which the charity's auditor is unaware; and
- As the Trustees/Directors of the company, all steps have been taken to make themselves aware of relevant audit information and to establish that the company's auditors are also aware of this information.

### Independent Examiner


An independent examination was carried out by HRHS Accountancy, Certified accountants.

The trustees' report has been prepared in accordance with the provision applicable to the company subject to the small companies' regime, and on the same basis a strategic report has not been presented. The report has been approved by the trustees and signed on their behalf by

Sameh Ramadan  
Chairman

  
Sameh Ramadan (Oct 4, 2023 18:13 GMT+1)

Naif Sheikh  
Trustee

  
Naif Sheikh (Oct 4, 2023 17:52 GMT+1)

## Risk Management

The trustees are ultimately responsible for risk management and the effectiveness of our internal control systems. The major risks to which we are exposed, as identified by the trustees, are regularly reviewed and systems and procedures have been established to manage those risks.

The Board of Trustees has considered and approved the risk management policy and its appetite for risk. It has delegated the regular review of the risk management process to the Audit and Risk Committee, which also oversees the work of the audit, risk and assurance function. Senior management ensures that day-to-day risk management processes are embedded across the organisation, through the effective implementation of policies and procedures and the maintenance of appropriate risk registers. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite.

### Financial risk

Shortfall in covering operations – this risk was mitigated by furloughing employees up to September 2021, requesting a payment holiday from creditors, and depending on volunteers to cover furloughed employees.

### Operational risk

Shortfall in manpower and resources to run activities – this risk was mitigated by reducing activities and encouraging new volunteers to join during the pandemic.

### Regulatory compliance risk

Failure to keep abreast of local laws and requirements could compromise our ability to continue working and serve our beneficiaries, Failure to demonstrate compliance with the regulatory framework, as it evolves, could damage our reputation and result in fines and other penalties.

To control and mitigate that risk – The organisation hired a professional compliance officer as a contractor responsible for ensuring compliance with local requirements, including registration, tax compliance and statutory reporting.

The organisation provides induction and training to new trustees and have processes in place to keep the board apprised of relevant changes in regulation.

### Human resources risk

If we do not provide effective leadership and management, and if we do not look after the wellbeing of our staff or ensure that we are diverse and truly inclusive, the implementation of our strategy could be significantly compromised and our reputation damaged.

To control and mitigate that risk - We have rigorous recruitment processes designed to help select candidates who can best help us meet our core aims, and to ensure equal opportunities. Our recruitment policies include structured gender sensitive and racially diverse panel interviews and the taking up of references. Staff sign our code of conduct and have a structured induction.

we have human resources policies designed to promote employee wellbeing and the provision of regular and open communication to employees. During the COVID-19 pandemic we have implemented a range of measures to promote staff wellbeing and have conducted staff meetings to test levels of satisfaction with our response.

## *Plans for the future*

### **Governance and administration**

1. Review policies and procedures to deliver a stronger governance structure.
2. Establish a robust induction process and create an annual training programme for trustees.
3. Plan for succession of trustees and members, build capacity and improve processes to increase diversity, ensure a broad range of skills, and improve compliance.
4. Complete review of staffing and departmental structure, including head of staff.

### **Fundraising and income Generation**

5. Maintain net income of the charity at a sustainable £100k per annum.
6. Make better use of internet and social media streams by engaging in digital fundraising.

### **Projects and Services**

7. Carry out review of the charity's school service.
8. Carry out review of all supplementary education.
9. Find a new interactive way to offer exhibition service.

The Board are aware of the challenges Discover Islam Europe faces due to change in external environment. Although our external environment changed dramatically during the year, our strategic goals continued to underpin our work. We agreed and began implementation of a five-year plan , focus firmly on the beneficiary within a financially sustainable model. New income streams, increase fund generation activities and cost management initiatives are being implemented.

## Structure, Governance and Management

The charity was incorporated on 1 June 2010 a company limited by guarantee. The charity is governed by its memorandum and articles of association approved in June 2010. The charity was registered with charity commission as a charity on 2 March 2012

**Organisational structure:** The trustees have delegated the day to day running of the charity to the director who is accountable to the trustees. The trustees have regular meeting to assess the performance of the charity. The Board of Trustees also works with key stakeholders and makes sure that we satisfy the regulatory requirements on us as a charity. The DIRECTOR engages actively with the Senior Management of the Charity to improve Discover Islam Europe's ability to respond to community needs and develop continuous development programs.

**Roles of the Director and Senior Management:** The Trustees delegate the day-to-day running of the charity to the director and the Senior Management Team (SMT). The DIRECTOR reports to the chair of the Board on a biweekly basis and the Trustees sit for formal meetings three times a year. The organisation is made up of structured departments functioning as independent units with clear reporting lines. Systems for line management, appraisals, staff development and supervision are in place, together with an accountability framework, and grievance and complaints procedures. Reports are submitted to the Charity Commission and Companies House by the Trustees, as required by law.

**Pay policy for senior staff:** Pay for senior staff is reviewed annually. During Financial year 2020, There were no staff members who received a salary of more than £60,000.

### Board of Trustees

The Trustees are responsible for all matters pertaining to governance of the Charity and policy making. Discover Islam Europe's management is responsible for implementing programmes and projects approved by the Trustees in an efficient and transparent manner, within its policy framework, thus fulfilling the stated aims and objectives of the Charity.

Reports are submitted to the Charity Commission by the Trustees as required by law.

### Governance Code

The Charity Governance Code sets out the principles and recommended practice for good governance within the sector. The charity is reviewing its current governance arrangements against the principles within the code annually and address any issues raised.

### Public benefit

The Trustees confirm that they abide by the Charity Commission's general guidance on public benefit in accordance with the Charities Act 2011 to have due regard to public benefit in pursuance of the Charity's aim.

### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements for each financial year in accordance with the law applicable to charities in England & Wales.

The Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS102)).

Under Companies/Charity Law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity, its income and application of resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently; to observe the methods and principles in the Charities SORP (FRS102).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the

charity will continue in operation.

- The Trustees are responsible for keeping adequate 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.
- 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.

So far as each of the Trustees at the date of this report is aware, there is no relevant audit information of which the charity's auditor is unaware. Each Trustee has taken all the steps that he/she ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Trustees have exercised due diligence and care in protecting the integrity of the Charity and its reputation.

The Trustees take this opportunity to thank Discover Islam Europe stakeholders, in particular our generous donors and benefactors and staff for their support and faith in Discover Islam Europe commitment and ability to serve the community where needed most.

Staff, volunteers, and friends remain steadfast in their resolve to work for the service of humanity.

### **Risk and audit Committee**

- The Board of Trustees have established an Internal Audit and Compliance Committee that includes non-executive experts that oversee risk, finance, and audit from a strategic and governance perspective. The committee aims to conduct periodical audits and random checks to ensure we always comply with our risk management policy.

The key duties of the Committee are as follows:

- Investigate any activity within its terms of reference.
- Review the Charity's financial statements before submission to the Board.
- Oversee the internal control and risk management function within the Charity including procedures for detecting fraud, monitoring the effectiveness of the systems for the integrity of the Charity's internal financial controls, and assessing the effectiveness of the risk management framework.
- Seek any information that it requires from any employee of the Charity.
- Obtain outside legal or independent professional advice, at the Charity's expense, if necessary.

The Committee also considers the financial plans and performance of Discover Islam Europe and the cost effective and efficient operation of the Charity.

### **Trustee Induction & recruitment:**

To make sure we benefit from a professional, appropriate board, we provide trustees with comprehensive induction and on-going training in new or emerging areas or responsibility. New trustees receive a full overview of our strategic and operational functions, as well as welcome pack which includes a copy of the Memorandum and Articles of Association, the financial statements, Board minutes and the Charity Commission guidance 'The Essential Trustee'. Trustees are encouraged to identify their training needs. The Chief Executive Officer (DIRECTOR) keeps trustees up to date with changes in regulatory standards and training possibilities. The Board of Trustees receives regular performance reports, annual financial reports, plans and budgets.

Discover Islam Europe shall develop and maintain a skills matrix to identify and recruit trustees and in selecting individuals for appointment as charity trustees, shall have regard to the benefits of diversity among the trustees and the skills, knowledge and experience needed for the effective administration of the Charity.-

### **Key Management Personnel and Remuneration Policy**

The organisation is made up of structured departments functioning as independent units with clear reporting lines. Systems for line management, appraisals, staff development and supervision are in place, together with an accountability framework as well as grievance and complaints procedures.

The Senior Leadership Team (SLT) is considered to be key management personnel and consists of the directors, heads of each Departments.

Remuneration for all senior staff is based on annual appraisals carried out by the DIRECTOR or Chairman and then reviewed by an appropriate committee. The review of pay takes into consideration roles and responsibilities together with relevant market rates.

### **Pension**

The Charity has complied fully with the auto-enrolment legislation Since October 2017 employees have been offered an employer contribution of 1% against a 1% employee contribution. This has been raised to between 2% and 3% in 2018 and rise between 3% and 5% to present.

### **Independent Examiner**

HRHS Accountancy has acknowledged its willingness to be reappointed as auditor for the year ending 31 December 2023.

### **Bankers**

Barclays Bank

20 Fulham Broadway,  
Fulham, London  
SW6 1AH

### **Solicitors**

Lee Bolton Monier-Williams  
1 the Sanctuary, Westminster,  
London, SW1P 3JT



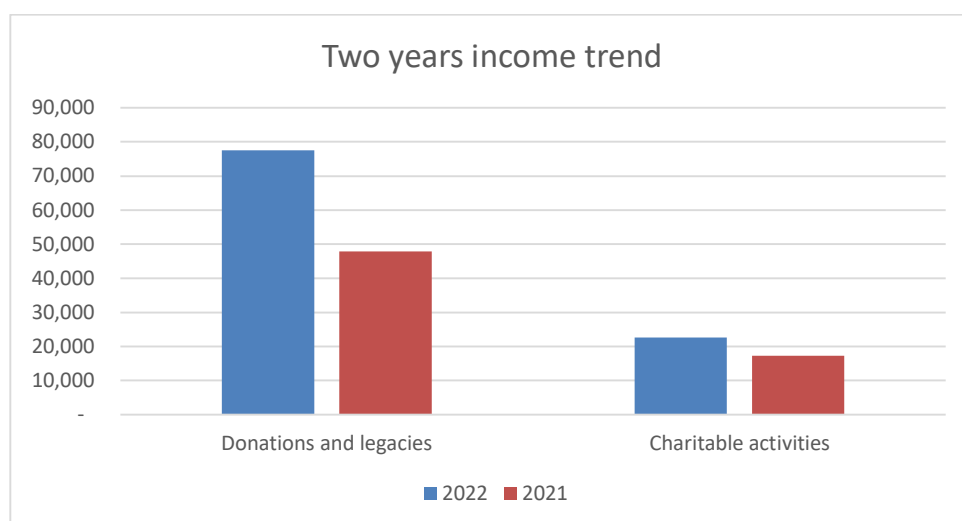
## Financial Review

The financial statements have been prepared in accordance with the accounting policies set out on pages Below of the attached Financial Statements and comply with applicable laws and requirements of the 'Accounting and Reporting by Charities: Statement of Recommended Practice' (Charities SORP (FRS102)) issued by the Charity Commission.

### Income

The Charity's total income for the year was **£100K up by 35% compared to** (2021: **£65K**), the increase primarily due to trustee's support.

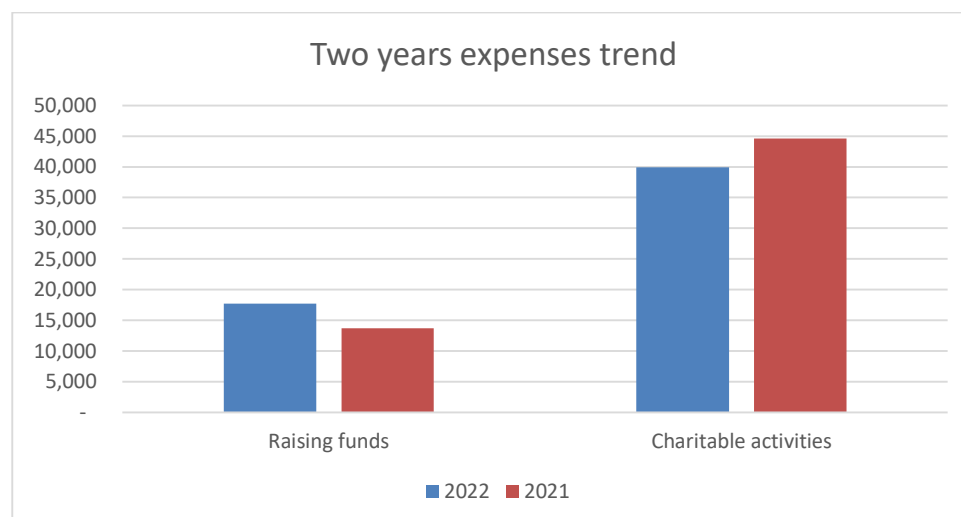
#### Two years' income trend



### Expenditure

Our total expenditure for the year ended 31 December 2022 was **£106K up by 82%**, (2020: **£57K**). the increase mainly due to professional fees to freelancers, fundraisers and marketing personals.

#### Two years' programme expenditure trend



### Net assets

The balance sheet for the Charity shows net assets of **£36K**, (2021: **£42K & £35K 2020**). The reduction in net assets due to the year deficit £6k.

### Tangible fixed assets

The changes in tangible fixed assets during the period are shown in Note 7 to the financial statements.

### Reserves policy

The Board of Trustees have adopted a reserves policy to hold the equivalent of six to nine months' operational expenditure in reserve. The actual free reserves in current assets at the end of the year were enough to service the planned reserve policy and the board is working to improve this during the coming two years.

### Trustees assessment of Going Concern

In the trustees' report, there is a review of financial performance and of the charity's reserves position. There are adequate financial resources and the charity is well placed to manage business risks. The planning process, including financial projections, has taken into consideration the current economic climate, including the impact of the Covid-19 pandemic and its potential impact on the various sources of income and planned expenditure. It is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There is no material uncertainty to going concern.

Sameh Ramadan  
Chairman

Sameh Ramadan  
Sameh Ramadan (Oct 4, 2023 18:13 GMT+1)

Naif Sheikh  
Trustee

Naif Sheikh  
Naif Sheikh (Oct 4, 2023 17:52 GMT+1)

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF DISCOVER ISLAM EUROPE LIMITED**  
**FOR THE PERIOD ENDED 31 December 2022**

I report on the accounts which are set out on Pages below

**Respective responsibilities of the Trustees'**

The trustees (who are also directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

Examine the accounts under section 145 of the 2011 Act; 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.

**Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where: • the directors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or • the directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:

a. to keep accounting records in accordance with section 130 of the Charities Act; and

b. to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Hashem Soliman*

Dated: 17<sup>th</sup> July 2023

HRHS Accountancy

Hashem Soliman

Member of Association of Accounting Technicians

41 Revere Way

London

KT19 9RQ

## Statement of Financial Activities

<b>Charity Name: Discover Islam Europe Limited</b>		<b>Charity No</b>	1146212
Annual accounts for the period		<b>Company No</b>	7269783
Period start date	<b>01/01/2022</b>	Period end date	<b>31/12/2022</b>

<b>Section A</b>		<b>Statement of financial activities</b>			
		<b>2022</b>		<b>2021</b>	
<b>Recommended categories by activity</b>		<b>Unrestricted funds</b>	<b>Restricted funds</b>		
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and Endowments (Note 3)</b>					
<b>Charitable Income</b>					
Donations and legacies		77,541	-	77,541	47,868
Charitable activities		22,685	-	22,685	11,029
Other		-	-	-	6,264
<b>Total</b>		100,225	-	100,225	65,161
<b>Expenditure (Notes 4-6)</b>					
<b>Expenditure on:</b>					
Raising funds		18,878	-	18,878	13,670
Charitable activities		87,195	-	87,195	44,611
<b>Total</b>		106,073	-	106,073	58,281
<b>Net incoming/(outgoing) resources before transfers</b>		(5,847)	-	(5,847)	6,879
<b>Gross transfers between funds</b>		-	-	-	-
<b>Net incoming/(outgoing) resources before other recognised gains/(losses)</b>		(5,847)	-	(5,847)	6,879
<b>Net movement in funds</b>		(5,847)	-	(5,847)	6,879
<b>Total funds brought forward</b>		41,811	-	41,811	34,931
<b>Total funds carried forward</b>		35,963	-	35,963	41,811

The results for the year shown above all derive from continuing operations.  
All recognised gains and losses are reflected in the Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages below form an integral part of these financial statements

## Balance Sheet

As at 31<sup>st</sup> December 2022

	Unrestricted funds £	Restricted Funds £	2022 £	2021 £
<b>Fixed assets</b>				
Tangible assets (Note 7)	405	-	405	540
<b>Total fixed assets</b>	405	-	405	540
<b>Current assets</b>				
Cash at bank and in hand	45,196	-	45,196	50,607
<b>Total current assets</b>	45,196	-	45,196	50,607
<b>Creditors: amounts falling due within one year</b> (Note 8)	9,638	-	9,638	9,337
<b>Net current assets/(liabilities)</b>	35,558	-	35,558	41,270
<b>Total assets less current liabilities</b>	35,963	-	35,963	41,810
<b>Net assets</b>	35,963	-	35,963	41,810
<b>Funds of the Charity</b>				
Unrestricted funds	41,811	-	41,811	34,931
P&L Account	(5,847)	-	(5,847)	6,879
<b>Total funds</b>	35,963	-	35,963	41,811

The financial statements were approved by the Trustees on 17<sup>th</sup> July 2023 and signed on its behalf by:

Sameh Ramadan  
Chairman

Sameh Ramadan  
Sameh Ramadan (Oct 4, 2023 18:13 GMT+1)

Naif Sheikh  
Trustee

Naif Sheikh  
Naif Sheikh (Oct 4, 2023 17:52 GMT+1)

The notes on pages below form part of these financial statements.

## Statement of Cash flows

For the year ended 31 December 2022

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Cash flows from operating activities:		
Net movement in funds (as per the Statement of Financial Activities)	(5,847)	6,879
Depreciation charges	135	180
(Increase)/Decrease in debtors	-	-
(Decrease) / Increase in creditors	301	8,687
	<u>(5,411)</u>	<u>15,746</u>
Cash flow from financing activities		
Loan received	-	-
	<u>-</u>	<u>-</u>
Cash flows from investing activities:		
Purchase of assets	-	-
	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the year	<u>(5,411)</u>	<u>15,746</u>
Cash and cash equivalents at the beginning of the year	50,607	34,862
Cash and cash equivalents at the end of the year	45,196	50,608
Net increase / (decrease) in cash and cash equivalents	<u>(5,411)</u>	<u>15,746</u>

## Notes to the financial statements

**For the year ended 31 December 2022**

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### 1 Accounting policies

#### a) Basis of preparation

The financial statements of the Charity, which is a public benefit entity under Financial Reporting Standard 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102) effective 1 January 2015, the 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) (Charities SORP (FRS102)) and the Charities Act 2011 and Companies Act 2006.

The Accounting Policies are consistent with the previous year. After reviewing the charity's forecasts and projections, the trustees (who are the directors for the purposes of company law) have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity, therefore, continues to adopt the going concern basis in preparing its financial statements.

The accounts present a true and fair view and no changes have been made to the accounting policies.

No changes to accounting estimates have occurred in the reporting period.

No material prior year error has been identified in the reporting period.

### Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### b) Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when Discover Islam Europe is entitled to the funds, receipt is probable, and the amount can be measured reliably.

Gifts in Kind for which Discover Islam Europe accepts full responsibility for distribution are included in income at the value to the charity when the good are received and under the control of Discover Islam Europe. Amounts are recognised in inventory until distributed at which point the relevant cost is released to the statement of financial activities.

The receipt in advance of a grant for expenditure that takes place in a future accounting period is accounted for as deferred income and recognised as a liability until the accounting period in which Discover Islam Europe will expend the resource.

#### c) Resources expended

Resources expended are recognised on an accrual's basis.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.



**Section C****Notes to the accounts****(cont)**

Support costs are those costs incurred indirectly in support of expenditure on the programmes of the Charity. Allocation of support costs and staff costs have been proportionated to the total of programme costs and corresponding thematic programme area.

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements. They include legal advice for trustees, cost of trustees' meetings, audit fee and internal audit costs. These costs are allocated in the same way as other support costs.

c) Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange at the time of the transaction.

Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign currency gains and losses are recognised through the Statement of Financial Activities for the period in which they are incurred.

d) Investment property: N/A.

e) Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as

Leasehold properties	Straight line over the life of the lease
Freehold properties	5% straight line
Computers and software	25% straight line
Fixtures and fittings	25% straight line
Office equipment	25% straight line
Motor vehicles	15% straight line

Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate.

f) Fund accounting

General funds are unrestricted funds which include buildings and equipment necessary for the proper functioning of the Charity and other funds available for use at the discretion of the Trustees in furtherance of the Charity's objectives.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. Restricted funds are funds which are subject to specific restrictions as imposed by the donor or nature of the appeal.

g) Taxation

As a registered charity, Discover Islam Europe is exempt from taxation of income and gains to the extent that its income and gains are applicable to charitable purposes only.

h) Key judgements and estimation uncertainty

The preparation of the financial statements requires the Trustees to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the Trustees' best judgment at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The Trustees' do not believe that there are any significant areas of estimation uncertainty that need to be disclosed.

## Note 3

## Analysis of incoming resources

	Analysis	Unrestricted funds £	2022 Restricted funds £	2021	
				£	
Donations and legacies	Standing Orders	24,383	-	24,383	28,129
	General Donations	652	-	652	1,400
	Go Cardless	6,778		6,778	6,248
	PDQ, Just giving & World Pay	25,727	-	25,727	12,091
	Funds received from other institution	20,000	-	20,000	-
	<b>Total</b>	<b>77,541</b>	<b>-</b>	<b>77,541</b>	<b>47,868</b>
Charitable activities	Fundraising events	22,685	-	22,685	11,029
	<b>Total</b>	<b>22,685</b>	<b>-</b>	<b>22,685</b>	<b>11,029</b>
Other	Other Income	-	-	-	6,264
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,264</b>

4. Expenditure	Analysis	2022		2021	
		Unrestricted funds	Restricted Funds	Total	
Raising funds		£	£	£	
	Fundraising expenses	17,371	-	17,371	12,439
	<b>Total</b>	<b>17,371</b>	<b>-</b>	<b>17,371</b>	<b>12,439</b>
<b>Charitable activities</b>	Exhibitions Expense	860	-	860	171
	Classes	375	-	375	-
	Salaries and contractors fees	79,002	-	79,002	40,421
	<b>Total</b>	<b>80,237</b>	<b>-</b>	<b>80,237</b>	<b>40,592</b>
<b>Governance costs</b>	Meetings Expenses & auditing fees	2,198	-	2,198	1,000
				-	-
	<b>Total</b>	<b>2,198</b>	<b>-</b>	<b>2,198</b>	<b>1,000</b>
<b>Other Resources expended</b>	Other Expenses	6,266		6,266	4,250
				-	-
		<b>6,266</b>	<b>-</b>	<b>6,266</b>	<b>4,250</b>
<b>4 Resources expended</b>					
	<b>Direct</b>	<b>Governance</b>	<b>Support</b>	<b>Total</b>	<b>Total</b>
	<b>Costs</b>	<b>Costs</b>	<b>Costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Raising Funds</b>	<b>17,371</b>	<b>391</b>	<b>1,115</b>	<b>18,878</b>	<b>17,718</b>
<b>Charitable activities</b>	<b>80,237</b>	<b>1,807</b>	<b>5,151</b>	<b>87,195</b>	<b>39,949</b>
<b>Total Expenditure</b>	<b>97,609</b>	<b>2,198</b>	<b>6,266</b>	<b>106,073</b>	<b>57,668</b>

No Employees paid salaries over £60,000, all employees are part timer.  
The Director and trustees are volunteers, therefore, no directors' remunerations.

**Note 5**                      **Details of certain items of expenditure****Fees for examination or audit of the accounts**

	<b>2022 £</b>	<b>2021 £</b>
Independent examiner's or auditors' fees for reporting on the accounts	650	1000
Other fees (for example: advice, consultancy, accountancy services) paid to the independent examiner or auditor	0.00	0.00

**Note 6**                      **Paid employees**

*Please complete this note if the charity has any employees.*

**6.1 Staff Costs**

	<b>2022 £</b>	<b>2021 £</b>
Gross wages, salaries and benefits in kind	38,470	31,709
Employer's National Insurance costs	3,918	366
Pension costs	894	144
<b>Total staff costs</b>	<b>43,282</b>	<b>32,218</b>

**6.2 Average number of full-time equivalent employees in the year**

The parts of the charity in which the employees work

	<b>This year Number</b>	<b>Last year Number</b>
Fundraising	1	1
Charitable Activities	4	2
Governance	2	2
Other	1	1
<b>Total</b>	<b>8</b>	<b>6</b>

**7.1 Fixed Assets**

	<b>Fixtures, fittings and equipment</b>
	<b>£</b>
Balance brought forward	4,666
Additions	-
Balance carried forward	4,666

**7.2 Accumulated depreciation and impairment provisions**

<b>**Basis</b>	RB
<b>** Rate</b>	25%

Balance brought forward	4,126
Depreciation charge for year	135
Balance carried forward	4,261

**7.3 Net book value**

Brought forward	540
Carried forward	405

**Note 8  
Analysis of  
creditors****Creditors and accruals**

	<b>Amounts falling due within one year</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Accruals and deferred income</b>	-	650
<b>Creditors</b>	4,579	-
<b>P.A.Y.E</b>	1,966	-
<b>National Insurance</b>	-	-
<b>Pension</b>	107	-
<b>Net Wages</b>	2,986	-
<b>Total</b>	9,638	650

## 9 Movements of major funds

### Current Period

#### Fund names

	Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Fund balances carried forward £
Unrestricted Funds	41,810	100,225	106,073	-	-	35,963
Total Restricted Funds	-	-	-	-	-	-
Total of funds	41,810	100,225	106,073	-	-	35,963

### Movements of major funds

#### Previous Period

#### Fund names

	Fund balances brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Fund balances carried forward £
Unrestricted Funds	34,931	65,161	58,281	-	-	41,811
Total Restricted Funds	-	-	-	-	-	-
Total of funds	34,931	65,161	58,281	-	-	41,811

Unrestricted General fund represents the amount that trustees are free to use in accordance with the charity's objectives.

**11 Taxation**

Discover Islam Europe is a registered charity and is not therefore liable to income or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**12 Post balance sheet events**

No post balance sheet event.

The company not registered for VAT, therefore, VAT deferral not applicable.

**13 Related Parties**

During financial year 2022, there were no Trustee or related party transactions recorded for the organisation.














# Trustees' report and financial statements

Final Audit Report

2023-10-04

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