

INSPIRING GRACE
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 JULY 2020**

Trustees	Anisa Rasul Mazaffar Iqbal Rauf Muhammad Umar Iqbal Tahir Hussain Anwar Mohammed Amad
Principal address	172 Regent St Nelson BB9 8SG
Registered charity number	1158044
Independent examiner	Riley Moss 2018 Limited Chartered Accountants Riley House 183-185 North Road Preston Lancashire PR1 1YQ

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

Objectives and activities

The objectives of the trust as set out in its governing document are:

- 1) The prevention of relief of poverty in Pendle, Lancashire and the surrounding area through the provision of essential food items to individuals and families in need.
- 2) The advancement of education through providing educational courses which promote, sustain and increase individual and collective knowledge and understanding on topics related to Islamic theology, jurisprudence and spirituality.
- 3) To advance the Islamic Faith through the holding of weekly prayer meetings where people gather to sing Islamic hymns in praise of God and the Prophet Muhammad (PBUH)
- 4) The promotion of community participation in healthy recreation for the benefit of the inhabitants of Pendle, Lancashire and surrounding area.

Achievement and performance

It has been a very challenging year for the charity with the pandemic which has caused disruption to many of our services, but has allowed us to focus on our food poverty projects in particular. The demand particularly in the first lockdown went up multifold on previous years and we had to secure lots of different funding pots and engage with more volunteers to help us to keep up with this demand. We created a street community champions programme which was very successful and created important links with the local council as a key partner in the relief efforts. Prior to the lockdown, we successfully added to our growing sports programmes by delivering new weekly sessions of Brazilian Jiu Jitsu for adults and children as well as launching our scouts club. This has allowed us to create a structured programme for young people from ages 6-14 as they develop from beavers to cubs to scouts. During the lockdown our team completed a 6 week programme to become affiliated with the international Fight4Peace programme which uses the martial arts to engage young people and develop skills such as gaining qualifications and becoming more employable.

Financial review

Financial position

Monthly figures are submitted by respective heads of each area (food, sports, education etc.) between days 1 and 5 at the start of each month. The figures are checked against the monthly bank statement by the treasurer and queried/corrected if necessary. Restricted funds are carefully monitored with spreadsheets in place to monitor the expenses in line with the income for the respective restricted pot.

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a minimum level. This provides sufficient funds to cover management and administration and support costs.

Future plans

We expect the future period is going to involve the majority of our efforts on the food poverty programme. We will continue to work with our local partners and the local community to help those in need in the local area. We have also developed a zakat programme which provides financial support to eligible local people and expect the demand will rise the longer the pandemic goes on. We will also use the period where some of our sessions can continue to do some fundraising for the charity whether that is in the writing of bids, promoting our online donation pages and taking part in crowd and match funding initiatives.

Structure, governance and management

Inspiring Grace is a registered UK Charity under charity number 1158044. It is an unincorporated charity. The governing document is a Trust Deed. The trustees named on page 1 have served throughout the year. The trustees have the power to appoint any person to be a trustee in accordance with the provisions of the Trust Deed. An appointed trustee holds office within the limits permitted by law.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to 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 board of trustees on 26 May 2021 and signed on its behalf by:

Mazaffar Iqbal Rauf - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSPIRING GRACE

Independent examiner's report to the trustees of Inspiring Grace

I report to the charity trustees on my examination of the accounts of Inspiring Grace (the Trust) for the year ended 31 July 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

Farook Patel FCA
Riley Moss 2018 Limited
Chartered Accountants
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

26 May 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

		Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
	Notes				
Income and endowments from					
Donations and legacies		85,781	77,251	163,032	50,724
Expenditure on					
Charitable activities	2				
Charitable activities		57,758	41,242	99,000	49,142
NET INCOME		28,023	36,009	64,032	1,582
Reconciliation of funds					
Total funds brought forward		9,866	22,519	32,385	30,803
Total funds carried forward		37,889	58,528	96,417	32,385

INSPIRING GRACE

BALANCE SHEET

31 JULY 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Current assets					
Cash at bank		38,439	58,528	96,967	32,715
Creditors					
Amounts falling due within one year	5	(550)	-	(550)	(330)
Net current assets		<u>37,889</u>	<u>58,528</u>	<u>96,417</u>	<u>32,385</u>
Total assets less current liabilities		<u>37,889</u>	<u>58,528</u>	<u>96,417</u>	<u>32,385</u>
NET ASSETS		<u>37,889</u>	<u>58,528</u>	<u>96,417</u>	<u>32,385</u>
Funds	6				
Unrestricted funds				37,889	9,866
Restricted funds:					
Restricted funds				58,528	22,519
Total funds				<u>96,417</u>	<u>32,385</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26 May 2021 and were signed on its behalf by:

Mazaffar Iqbal Rauf - Trustee

Tahir Hussain Anwar - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

2. Charitable activities costs

	Direct Costs £	Support costs £	Totals £
Charitable activities	98,450	550	99,000

3. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

4. Staff costs

The average monthly number of employees during the year was as follows:

	2020	2019
Admin	3	1

No employees received emoluments in excess of £60,000.

During the year Inspiring Grace has paid wages and salaries of £30,682 (2019: £10,053)

5. Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	550	330

6. Movement in funds

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
Unrestricted funds	9,866	28,023	37,889
Restricted funds			
Restricted funds	22,519	36,009	58,528
TOTAL FUNDS	32,385	64,032	96,417

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

6. Movement in funds - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted funds	85,781	(57,758)	28,023
Restricted funds			
Restricted funds	77,251	(41,242)	36,009
TOTAL FUNDS	<u>163,032</u>	<u>(99,000)</u>	<u>64,032</u>

Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	At 31.7.19 £
Unrestricted funds			
Unrestricted funds	15,409	(5,543)	9,866
Restricted funds			
Restricted funds	15,394	7,125	22,519
TOTAL FUNDS	<u>30,803</u>	<u>1,582</u>	<u>32,385</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted funds	34,476	(40,019)	(5,543)
Restricted funds			
Restricted funds	16,248	(9,123)	7,125
TOTAL FUNDS	<u>50,724</u>	<u>(49,142)</u>	<u>1,582</u>

Restricted Funds - This comprises of 23 restricted funds received for the various purposes which all related to the objectives and activities of the charity.

7. Related party disclosures

There were no related party transactions for the year ended 31 July 2020.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020**

	2020 £	2019 £
Income and endowments		
Donations and legacies		
General donations	74,148	22,882
Sports course fees	11,632	11,594
Building Fund	1,183	1,210
Sport	-	1,250
LCC Food	-	1,400
Food Bank	6,006	318
I Will Foundation	-	4,200
Magic Grants	-	500
Zakat	800	6,110
Skeleton	-	1,260
Archery GB	600	-
Awards to All	10,000	-
Charles Hayward	4,000	-
Sport England	14,710	-
CCG 2020	6,000	-
LCC Refugee YP	4,000	-
PCC Grant	3,000	-
Dulverton Trust	4,958	-
Christal Foundation	3,000	-
StreetGames	2,000	-
IFAN	500	-
Lancs Community Foundation	5,000	-
Groundwork	500	-
Leatherselles	3,000	-
Goodthings Foundation	2,500	-
Sadaqah for Brother	95	-
Duchy of Lancaster	5,000	-
Neighbourly	400	-
	<hr/> 163,032	<hr/> 50,724
Total incoming resources	163,032	50,724
Expenditure		
Charitable activities		
Charitable activities	36,772	18,252
Building fund	500	1,000
LCC food expenditure	-	1,016
Sports	11,664	13,973
Syria project and other project expenditure	-	2,182
I Will Foundation	1,260	1,800
Scouts	5,012	7,089
Zakat	2,500	3,500
Foodbank	5,991	-
Carried forward	63,699	48,812

This page does not form part of the statutory financial statements

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020**

	2020	2019
	£	£
Charitable activities		
Brought forward	63,699	48,812
Magic Grants	474	-
CCG 200	2,670	-
Awards for All	5,265	-
Charles Hayward	2,439	-
Skelton	1,228	-
Sport England	4,440	-
LCC Refugee TP	2,240	-
PCC Grant	530	-
Christal Foundation	540	-
Dulverton Trust	630	-
StreetGames	300	-
IFAN	500	-
Lancs Community Foundation	5,000	-
Leatherselles	3,000	-
Sadaqah for Brother	95	-
Neighbourly	400	-
Duchy of Lancaster	5,000	-
	<u>98,450</u>	<u>48,812</u>
Support costs		
Governance costs		
Accountancy and legal fees	550	330
Total resources expended	<u>99,000</u>	<u>49,142</u>
Net income	<u>64,032</u>	<u>1,582</u>