

INSPIRING GRACE
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 JULY 2021

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 Riley House 183-185 North Road Preston Lancashire PR1 1YQ

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 July 2021. 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

Objectives and aims

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.

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

Charitable activities

It has been another challenging year for the charity due to the pandemic which has caused disruption to many of our services, but it has also allowed us to focus on and develop new projects particularly on online platforms. We have thus begun a number of online courses related to both religious and social matters, which have had an excellent reception on both a local and national level. We have also continued to expand on our food poverty projects, seeking to find new and innovative ways to assist others in these difficult times. The latter part of the year, particularly since April, has seen a lessening of the restrictions which has allowed us to resume in person activities, particularly for children. Swimming classes resumed, as did the Scouts programme and summer holiday programmes for 5-11 year olds.

We were also able to re-establish educational provision and activities for 0-5 year olds through the establishment of weekly Forest School activities centred around meaningful play in natural settings and also Spoken Arabic activities.

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 will continue to develop existing projects, particularly the Scouts and Swimming activities, with a view to training up more leaders and instructors so we can expand our provision. We will also hope to develop offering classes both online and in person to children and adults alike.

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.

Approved by order of the board of trustees on 31 May 2022 and signed on its behalf by:

Tahir Hussain Anwar - 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 2021.

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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of _ 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 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
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

31 May 2022

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies		242,042	9,376	251,418	163,032
Expenditure on					
Raising funds		39,612	-	39,612	-
Charitable activities	2				
Charitable activities		46,777	82,264	129,041	99,000
Total		86,389	82,264	168,653	99,000
NET INCOME/(EXPENDITURE)		155,653	(72,888)	82,765	64,032
Transfers between funds	6	(14,360)	14,360	-	-
Net movement in funds		141,293	(58,528)	82,765	64,032
Reconciliation of funds					
Total funds brought forward		37,889	58,528	96,417	32,385
Total funds carried forward		179,182	-	179,182	96,417

INSPIRING GRACE

BALANCE SHEET

31 JULY 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Current assets					
Cash at bank		179,512	-	179,512	96,967
Creditors					
Amounts falling due within one year	5	(330)	-	(330)	(550)
Net current assets		<u>179,182</u>	<u>-</u>	<u>179,182</u>	<u>96,417</u>
Total assets less current liabilities		<u>179,182</u>	<u>-</u>	<u>179,182</u>	<u>96,417</u>
NET ASSETS		<u>179,182</u>	<u>-</u>	<u>179,182</u>	<u>96,417</u>
Funds	6				
Unrestricted funds				179,182	37,889
Restricted funds:					
Restricted funds				-	58,528
Total funds				<u>179,182</u>	<u>96,417</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 31 May 2022 and were signed on its behalf by:

Mazaffar Iqbal Rauf - Trustee

Tahir Hussain Anwar - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

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 2021

2. Charitable activities costs

	Direct Costs £	Support costs £	Totals £
Charitable activities	128,931	110	129,041

3. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

4. Staff costs

	2021 £	2020 £
Wages and salaries	39,612	-
	<u>39,612</u>	<u>-</u>

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

	2021	2020
Admin	-	3

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

	2021 £	2020 £
Other creditors	330	550

6. Movement in funds

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
Unrestricted funds	37,889	155,653	(14,360)	179,182
Restricted funds				
Restricted funds	58,528	(72,888)	14,360	-
TOTAL FUNDS	<u>96,417</u>	<u>82,765</u>	<u>-</u>	<u>179,182</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2021

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	242,042	(86,389)	155,653
Restricted funds			
Restricted funds	9,376	(82,264)	(72,888)
TOTAL FUNDS	<u>251,418</u>	<u>(168,653)</u>	<u>82,765</u>

Comparatives for 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	<u>32,385</u>	<u>64,032</u>	<u>96,417</u>

Comparative 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>

Restricted Funds - This comprises of 7 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 2021.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Gifts	(1)	-
General donations	81,163	74,148
Sports course fees	1,215	11,632
Other Income	26,844	-
Building Fund	1,180	1,183
Food Bank	-	6,006
Zakat	2,197	800
Archery GB	-	600
Awards to All	-	10,000
Charles Hayward	-	4,000
Sport England	-	14,710
CCG 2020	6,000	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	3,000	500
Leatherselles	-	3,000
Goodthings Foundation	-	2,500
Sadaqah for Brother	-	95
Duchy of Lancaster	-	5,000
Neighbourly	-	400
Comm Foundation	17,472	-
COVID 19 Response	9,540	-
The Waste & Reso Wrap	14,172	-
UK Community Fund	10,370	-
Active Lancs	5,352	-
Lancs CCAP	8,958	-
Pro Project Sadaqah Foodbank	375	-
Black Training and BTEG Covid	5,400	-
Local Giving	15,221	-
Independent Food A Covid	1,000	-
Scouts Association	6,900	-
CIN	17,900	-
CAF	10,400	-
Director of Soc Refund	6,360	-
Building Bridges Pen PFA	400	-
	<hr/> 251,418	<hr/> 163,032
Total incoming resources	251,418	163,032

INSPIRING GRACE
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021**

	2021	2020
	£	£
Expenditure		
Other trading activities		
Wages	39,612	-
Charitable activities		
Charitable activities	39,447	36,772
Building fund	-	500
Sports	2,220	11,664
I Will Foundation	-	1,260
Scouts	-	5,012
Zakat	1,000	2,500
Foodbank	76,391	5,991
Magic Grants	-	474
CCG 200	2,182	2,670
Awards for All	1,725	5,265
Charles Hayward	-	2,439
Skelton	-	1,228
Sport England	-	4,440
LCC Refugee TP	-	2,240
PCC Grant	1,456	530
Christal Foundation	-	540
Dulverton Trust	510	630
StreetGames	-	300
IFAN	-	500
Lancs Community Foundation	-	5,000
Leatherselles	-	3,000
Sadaqah for Brother	-	95
Neighbourly	-	400
Duchy of Lancaster	-	5,000
WRAP 2	4,000	-
	<hr/> 128,931	<hr/> 98,450
Support costs		
Governance costs		
Accountancy and legal fees	110	550
Total resources expended	<hr/> 168,653	<hr/> 99,000
Net income	<hr/> <hr/> 82,765	<hr/> <hr/> 64,032

This page does not form part of the statutory financial statements