

Charity registration number 1158044 (England and Wales)

INSPIRING GRACE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024



INSPIRING GRACE

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|---|--|
| Trustees | Anisa Rasul Muhammad Umar Iqbal Tahir Hussain Anwar |
| Charity number (England and Wales) | 1158044 |
| Principal address | 172 Regent St Nelson Lancashire United Kingdom BB9 8SG |
| Independent examiner | Xeinadin Ground Floor, Citygate Longridge Road Preston PR2 5BQ |

INSPIRING GRACE

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees report | 1 - 2 |
| Independent examiner's report | 3 |
| Statement of financial activities | 4 |
| Balance sheet | 5 |
| Notes to the financial statements | 6 - 10 |

INSPIRING GRACE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 JULY 2024

The trustees present their annual report and financial statements for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

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.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

It has been a productive year with our team running a number of beneficial projects on the ground, we have also continued new projects particularly on online platforms. We are thus currently running 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.

Our swimming classes and Scouts club have continued to expand and grow steadily, with weekly sessions taking place. We have been able to train more swimming instructors to allow us to expand our provision and cater for more students, as well as being able to provide a better service to existing students. The Scouts programme has continued to develop, providing a wide range of both indoor and outdoor activities in an integrated programme designed to fulfil a number of learning objectives and also allow the students to gain various badges and make measurable progress.

Financial review

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.

INSPIRING GRACE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2024

Plans for future periods

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 offerings related to both online and in person classes for 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 who served during the year and up to the date of signature of the financial statements were:

Anisa Rasul

Muhammad Umar Iqbal

Tahir Hussain Anwar

Recruitment and appointment of trustees

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.

The trustees report was approved by the Board of Trustees.

Tahir Hussain Anwar

Trustee

31 May 2025

INSPIRING GRACE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSPIRING GRACE

I report to the trustees on my examination of the financial statements of Inspiring Grace (the charity) for the year ended 31 July 2024.

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.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

I have completed my examination. I confirm that no 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 Charities Act 2011.
- 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 financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Xeinadin

Ground Floor, Citygate
Longridge Road
Preston
PR2 5BQ
25 June 2025

INSPIRING GRACE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2024

| | | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income from: | | | | | | | |
| Donations and legacies | 2 | 45,584 | 1,211 | 46,795 | 46,086 | 1,721 | 47,807 |
| Total income | | 45,584 | 1,211 | 46,795 | 46,086 | 1,721 | 47,807 |
| Expenditure on: | | | | | | | |
| Charitable activities | 3 | 84,965 | - | 84,965 | 108,718 | - | 108,718 |
| Total expenditure | | 84,965 | - | 84,965 | 108,718 | - | 108,718 |
| Net income/(expenditure) and movement in funds | | (39,381) | 1,211 | (38,170) | (62,632) | 1,721 | (60,911) |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 August 2023 | | 57,315 | 1,721 | 59,036 | 119,947 | - | 119,947 |
| Fund balances at 31 July 2024 | | 17,934 | 2,932 | 20,866 | 57,315 | 1,721 | 59,036 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

INSPIRING GRACE

BALANCE SHEET

AS AT 31 JULY 2024

| | Notes | 2024 £ | £ | 2023 £ | £ |
|---|----------|--------------|---------------|--------------|---------------|
| Current assets | | | | | |
| Cash at bank and in hand | | 21,416 | | 59,726 | |
| Creditors: amounts falling due within one year | 7 | <u>(550)</u> | | <u>(690)</u> | |
| Net current assets | | | <u>20,866</u> | | <u>59,036</u> |
| The funds of the charity | | | | | |
| Restricted income funds | 8 | | 2,932 | | 1,721 |
| Unrestricted funds | 9 | | <u>17,934</u> | | <u>57,315</u> |
| | | | <u>20,866</u> | | <u>59,036</u> |

The financial statements were approved by the trustees on 24 June 2025

Anisa Rasul
Trustee

Tahir Hussain Anwar
Trustee

INSPIRING GRACE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

Charity information

Inspiring Grace is a registered UK Charity under charity number 1158044. It is an unincorporated charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INSPIRING GRACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Income from donations and legacies

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 45,584 | 1,211 | 46,795 | 46,086 | 1,721 | 47,807 |

INSPIRING GRACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

2 Income from donations and legacies

(Continued)

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|----------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | | | | | | |
| General Donations | 39,000 | - | 39,000 | 39,050 | - | 39,050 |
| Street Games | 5,832 | - | 5,832 | 6,791 | - | 6,791 |
| Local Giving | 152 | - | 152 | 195 | - | 195 |
| Amazon Europe Core | - | - | - | 50 | - | 50 |
| Building Fund | - | 1,211 | 1,211 | - | 1,721 | 1,721 |
| Equipment | 600 | - | 600 | - | - | - |
| | <u>45,584</u> | <u>1,211</u> | <u>46,795</u> | <u>46,086</u> | <u>1,721</u> | <u>47,807</u> |

3 Expenditure on charitable activities

| | Charitable activities 2024 £ | Charitable activities 2023 £ |
|---|---------------------------------------|---------------------------------------|
| Direct costs | | |
| Charitable activities | 32,260 | 30,954 |
| Storage | 1,584 | 1,719 |
| Sports | 6,040 | 8,505 |
| Services | - | 15,000 |
| Scouts | 1,220 | 10,580 |
| Foodbank | 41,600 | 37,700 |
| Administration | 1,471 | 3,900 |
| | <u>84,175</u> | <u>108,358</u> |
| Share of support and governance costs (see note 4) | | |
| Support | 790 | 360 |
| | <u>84,965</u> | <u>108,718</u> |
| Analysis by fund | | |
| Unrestricted funds | <u>84,965</u> | <u>108,718</u> |

INSPIRING GRACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

4 Support costs allocated to activities

| | 2024 £ | 2023 £ |
|-----------------------------------|-----------|-----------|
| Governance costs | 790 | 360 |
| Analysed between: | | |
| Charitable activities | 790 | 360 |
| Governance costs comprise: | | |
| Accountancy | 790 | 360 |
| | 790 | 360 |

5 Trustees

During the year, the charity paid £22,300 (2023: £26,000) to Anisa Rasul who is the trustee for providing educational support service.

6 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

7 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 550 | 690 |

8 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| | At 1 August 2023 £ | Incoming resources £ | At 31 July 2024 £ |
|-----------------------|--------------------------|----------------------------|-------------------------|
| | 1,721 | 1,211 | 2,932 |
| Previous year: | At 1 August 2022 £ | Incoming resources £ | At 31 July 2023 £ |
| | - | 1,721 | 1,721 |

INSPIRING GRACE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

9 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 August 2023 £ | Incoming resources £ | Resources expended £ | At 31 July 2024 £ |
|-----------------------|-----------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| General funds | 57,315 | 45,584 | (84,965) | 17,934 |
| | | | | |
| Previous year: | At 1 August 2022 £ | Incoming resources £ | Resources expended £ | At 31 July 2023 £ |
| General funds | 119,947 | 46,086 | (108,718) | 57,315 |

10 Analysis of net assets between funds

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|
| At 31 July 2024: | | | |
| Current assets/(liabilities) | 17,934 | 2,932 | 20,866 |
| | 17,934 | 2,932 | 20,866 |
| | | | |
| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
| At 31 July 2023: | | | |
| Current assets/(liabilities) | 57,315 | 1,721 | 59,036 |
| | 57,315 | 1,721 | 59,036 |

11 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).