

REGISTERED COMPANY NUMBER: 11084296 (England and Wales)
REGISTERED CHARITY NUMBER: 1179846

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE ISLAMIC ASSOCIATION OF LINCOLN

THE ISLAMIC ASSOCIATION OF LINCOLN

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees, who are also directors of the charitable company for the purpose of the Companies Act 2006, present their annual report with the financial statements of the charitable company for the year end 31st December 2022. 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 (FRS102) (effective 1 January 2019).

The financial statements comply with the charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Statement of Recommended Practice applicable to charities (FRS102).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objectives and activities for the public benefit.

The Islamic Association of Lincoln's objects and principal activities are set out in the charity's constitution, adopted by special resolution passed on 21 October 2017, are summarised as follows:

- a) Arrange and hold congregational prayers and Islamic religious activities.
- b) Promote unity and joint activities among the Lincoln Muslim community.
- c) Conduct social, cultural and religious activities in accordance with Islamic tradition (and not against the Islamic tradition or teachings).
- d) Provide channels for better communication and understanding between Muslims in Lincoln and wider Lincoln community in general.
- e) Contribute to the local community by promoting and participating in projects related to areas and social concern.
- f) Provide services to members of the Muslim community relating to, for example, Islamic educations, Islamic marriage, birth, death and burials in accordance with Islamic teaching.

To do all such things, as are consistent with the above and charity law and which are considered as conducive to principal objects.

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities summarised in achievement and performance below, provide benefit both of those who worship at the Mosque and wider community of Lincoln.

In deciding which activities, the charity will pursue, the trustee have had due regard to the guidance issued by the charity commission on public benefit.

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance

As mentioned above the charity has continued the charitable work of the Islamic association. The charity carries out a range of activities in pursuance of its charitable aims.

We are very pleased that since the first purpose-built mosque in Lincolnshire opened its door in April 2018, Alhamdulillah, the number of worshippers attending regular prayers are constantly increasing. In order to accommodate worshippers, the mosque started arranging three Eid prayers and two Juma prayers. The mosque has dedicated praying halls for sisters, brothers and two additional halls for community activities/teaching for boys and girls. In addition, there are regular teaching/social activities for teenage boys, girls and adults.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance continued

Arabic and Islamic studies are taught to children aged 5-16 on weekday evenings.

Daily five time prayers are conducted at our premises on Dixon street in our mosque while limited day prayers take place at Orchard street, Lincoln.

Since the opening of the new mosque, all lectures and social functions have taken place there.

Knowledge about Islam and Muslim culture is disseminated to the general public via distribution of leaflets, books and tapes. These are distributed free of charge.

Since the opening thousands of school children visited our new mosque and have learnt about Islam as part of their Religious Education teaching. In 2022, over 1900 children visited the mosque which includes schools, Royal Air Force, the Lincolnshire Police, scouts, faith organisations and charitable organisations.

The Association also started a food bank service to help those who were unable to afford food. We are pleased that during 2022, around 1800 parcels were distributed to those who need help.

The Association also provided a number of other services to community members for example funerals, weddings, counselling etc.

In 2022, the Association had eight employees, including four part-time teachers.

FINANCIAL REVIEW

Financial review

The Statement of Financial Activities for the year ended 31 December 2022 shows incoming resources totalling £163,532 (2021: £3,624,009) and resources expended totalling £122,772 (2021: £113,232), resulting in net incoming resources totalling £40,760 (2021: £3,510,777).

As a result, the Charity's total funds have increased from £3,585,186 as at 31 December 2021 to £3,625,946 as at 31 December 2022.

FINANCIAL REVIEW

Financial review continued

We have a policy of recording donations and providing receipts so that we can claim gift aid in a correct manner, we are constantly improving our practices in financial management. In addition, we have regular standing order and cash/cheque donations to cover our day to day expenses including wages and salaries. We are very open and transparent in our accounts and now have a respectable Accountancy firm looking after our accounts. There is a dedicated volunteer treasurer on the committee and the trustees are very happy with company's finances and accounts.

Reserves policy

The trustees have reviewed the reserves of the charity. The policy is to hold enough funds to meet six months estimated operating costs of the Charity for the following year. This currently equates to approximately £29,850. The trustees consider that with little future capital expenditure planned, they are in a strong position to maintain the reserves at the level anticipated. At the balance sheet date, the free reserves of the charity were £3,614,701.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FUTURE PLANS

The Islamic Association of Lincoln and the local Muslim community is very excited by the new Mosque which opened in 2018. We hope to continue to expand our activities in the future, particularly as COVID situation had improved now. The Mosque has been open for school visits and we are planning to expand our services further and our Imams have started visiting schools to break barriers and raise awareness about religion. We have been planning to expand evening school services and plan to enrol more students. To assist with this a head of madrasa and a teacher have been appointed to help move the Charity forward in future years.

The Association has now 7 teachers involved in teaching of madrasa children. This helped to reduce the size of classes so we can focus on improving the quality of teaching.

The trustees have had detailed consultations with UK based scholars, to understand what we can do with the old Orchard Street Mosque. Some options were considered i.e. to build flats but after a detailed consultation, the trustees made recommendations that it would be the best for several reasons to maintain the masjid. This proposal was supported by trustees, all members of both Executive Advisory committees and both the imams.

We also have vision to work with members of the BAME community irrespective of religion or race, to see how we can offer help and assistance in matters they may have difficulties with.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee (registered number 11084296) which was incorporated on 27 November 2017 and achieved charitable status on 07 September 2018 (registered number 1179846).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company which is governed by its Articles of Association.

Recruitment and appointment of new trustees

As the Charity is incorporated as a company limited by guarantee, the Trustees are deemed to be Directors of the Charity.

Recruitment and appointment of new trustees continued

As set out in the charity's Articles of Association new trustees or directors who are permitted by law to do so, may be appointed to be a director either by:

- a) A resolution of the Directors; or
- b) Elected by simple majority at an annual general meeting of the local Muslim community (such election to be arranged by the Directors).

All appointments are subject to suitable references, disclosure, and a declaration that the person is legally allowed to be a Trustee.

Organisational structure

The Islamic Association of Lincoln is organised so that its management committee of trustees meet regularly to manage its affairs and formulate policy.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure continued

All committee members have responsibility for certain areas, e.g. Chairman, Treasurer, Secretary, Social Officer, Education Officer and Maintenance Officer. Committee members work in collaboration and monthly meetings are held. Both brothers and sisters' executive advisory committees report back to the trustees regularly. The Islamic Association of Lincoln regularly reviews its governance and structure. The association will establish new young boys and girls executive committee as outlined in the constitution.

Induction and training of new trustees

Induction

The Charity has a comprehensive induction process for all new Trustees.

This induction process includes the following procedures.

- a) Informing new Trustees of their role and responsibilities (including charity and company law).
- b) Providing new Trustees with a copy of the charity's memorandum and articles and association.
- c) Providing new Trustees with a copy of the charity's current business plan.
- d) Ensuring all new Trustees meet staff and co-workers.
- e) Ensuring all new Trustees are aware of the Charity's ethos.

Training

Trustees regularly review their role and activities. Topics include governance, strategic planning, and new legislation.

All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in the notes to the financial statements. Trustees claimed no expenses during the year.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The bank account has a complex mandate in place which means all cheques or invoice payments require two signatories and two signatories are required for any changes to the bank account such as setting up standing orders etc.

Trustees meet bi-monthly to receive reports on the work of the Charity and to monitor progress against the Charity's business plan. Good governance in our charity is fundamental to our success. We continue to achieve our charity's outcomes and aims through effective governance and the right leadership structures. Good governance enables us to support our charity's compliance with relevant legislation and regulations. It also promotes attitudes and a culture where everything works towards fulfilling the charity's vision. We use the Charity Governance Code to help us and our trustees to develop high standards of governance.

Everyday management and the delivery of the service is delegated so that decisions are made at the most appropriate level. Trustees continue to closely monitor, income and expenditure. The finance sub-committee, chaired by the Treasurer, monitors, and makes recommendations on issues in relation to the Charity's financial position.

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management continued

The Trustees have examined the major strategic, business, and operational issues that the Charity faces. They confirm that systems are in place to enable regular reports to be produced so that necessary steps can be taken to reduce risks.

Every member of staff has a job description and receives regular supervision. Together, these make clear the role and responsibility of everyone in the organisation. The manager holds regular team briefings where information is shared, and practice issues are discussed.

Safeguarding Compliance

The Association ensure children are safely looked after in the evening teaching classes and all teachers have appropriate training for safeguarding and children safety. In February 2022, the Association arranged safeguarding and child protection training for teachers and committee members. The Association has a Madrassa liaison officer who acts as the first point of contact for parents and teachers. The officer liaises with the mosque committee and trustees in all matters of child protection. The headteacher has made necessary arrangements with the voluntary centre services at Lincoln City Council for the regular checking of DBS for our madrassa teachers. In the period covered by these financial statements, Trustees were not aware of any incidents that were required to be reported to the Charity Commission.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11084296 (England and Wales)

Registered Charity number

1179846

Registered office

Lincoln Central Mosque & Cultural Centre
Dixon Street
Lincoln
Lincolnshire
LN6 7DA

Trustees

Dr R Zafar (resigned 19/01/2023)
Dr T Ahmed – Chairman
M Z Qureshi (resigned 19/01/2023)
M Kamal (appointed 19/01/2023)
Dr S A Gbadebo (appointed 19/01/2023)
A Rafique

Independent Examiner

Hamid Bukhari FCCA
49 Monastery Drive
Solihull
Birmingham
West Midlands
B91 1DW

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Barclays Bank Plc
Unit 1, City Office Park
Tritton Road
Lincoln
Lincolnshire
LN6 7DA

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

FUNDS HELD AS CUSTODIAN FOR OTHERS

Lincoln Embracing All Nation (LEAN)

LEAN supports a range of culturally diverse people living in Lincoln and celebrates the wonderful diversity of the city.

During the year ended 31 December 2022 The Islamic Association of Lincoln received £nil (2021: £35,982) from Lincoln Embracing All Nation (LEAN) to be held by the Charity on behalf of the Lincoln Embracing All Nation (LEAN).

During the year ended 31 December 2022 a total of £35,982 has been expended Lincoln Embracing All Nation (LEAN) leaving an unexpended balance totalling £nil (2021: £35,982) which had been included by the Charity within other creditors falling due within one year as at 31 December 2022 £nil (2021: £35,982).

Approved by order of the board of trustees on 28 September 2023 and signed on its behalf by:

.....
Dr T Ahmed - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ISLAMIC ASSOCIATION OF LINCOLN (REGISTERED NUMBER: 11084296)**

Independent examiner's report to the trustees of The Islamic Association of Lincoln ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

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:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Hamid Bukhari FCCA
49 Monastery Drive
Solihull
Birmingham
West Midlands
B91 1DW

Date: 28 September 2023

THE ISLAMIC ASSOCIATION OF LINCOLN (REGISTERED NUMBER: 11084296)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	119,448	15,475	134,923	3,597,708
Other trading activities	4	5,559	-	5,559	8,141
Investment income	5	4,690	-	4,690	10
Charitable activities					
Education	6	18,360	-	18,360	18,150
Total		<u>148,057</u>	<u>15,475</u>	<u>163,532</u>	<u>3,624,009</u>
EXPENDITURE ON					
Charitable activities	7				
Charitable activities		81,292	7,278	88,570	78,603
Support costs		<u>30,771</u>	<u>3,431</u>	<u>34,202</u>	<u>34,629</u>
Total		<u>112,063</u>	<u>10,709</u>	<u>122,772</u>	<u>113,232</u>
NET INCOME/(EXPENDITURE)		<u>35,994</u>	<u>4,766</u>	<u>40,760</u>	<u>3,510,777</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		3,578,707	6,479	3,585,186	74,409
TOTAL FUNDS CARRIED FORWARD		<u>3,614,701</u>	<u>11,245</u>	<u>3,625,946</u>	<u>3,585,186</u>

The notes form part of these financial statements

THE ISLAMIC ASSOCIATION OF LINCOLN (REGISTERED NUMBER: 11084296)

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	15	3,483,503	-	3,483,503	3,486,077
Investments					
Investment property	16	122,231	-	122,231	-
CURRENT ASSETS					
Debtors	17	1,120	-	1,120	1,053
Prepayments		2,048	-	2,048	1,951
Cash at bank		<u>14,138</u>	<u>11,245</u>	<u>25,383</u>	<u>146,896</u>
		17,306	11,245	28,551	149,900
CREDITORS					
Amounts falling due within one year	18	(8,339)	-	(8,339)	(50,791)
NET CURRENT ASSETS/(LIABILITIES)		<u>8,967</u>	<u>11,245</u>	<u>20,212</u>	<u>99,109</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,614,701</u>	<u>11,245</u>	<u>3,625,946</u>	<u>3,585,186</u>
NET ASSETS		<u>3,614,701</u>	<u>11,245</u>	<u>3,625,946</u>	<u>3,585,186</u>
FUNDS	19				
Unrestricted funds				3,614,701	3,578,707
Restricted funds				<u>11,245</u>	<u>6,479</u>
TOTAL FUNDS				<u>3,625,946</u>	<u>3,585,186</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the

The notes form part of these financial statements

BALANCE SHEET - continued
31 DECEMBER 2022

requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28 September 2023 and were signed on its behalf by:

.....
Dr T Ahmed - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Plant and machinery	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Computer equipment	- 33% on cost

TAXATION

The charity is exempt from corporation tax on its charitable activities.

EMPLOYEE BENEFITS

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

Contributions to the personal pension schemes of certain employees are charged to the Statement of Financial Activities in the period in which they relate.

The assets of these personal pension schemes are held separately from those of the charitable company in independently administered funds.

INVESTMENT PROPERTY

Investment property is measured using the fair value model and is stated at its fair value as at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities

FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial statements.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

The Charity only has basic financial assets, which include trade and other receivables 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.

COMPANY STATUS

The charitable company is a company limited by guarantee. The members of the charitable company are the trustees named in the trustees' report. In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £1 per member of the charitable company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES - continued

GOING CONCERN

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The expected income and expenditure is sufficient with the level of reserves for the charity to continue as a going concern.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	102,437	3,579,367
Gift Aid	17,011	18,341
	<u>119,448</u>	<u>3,597,708</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Car park income	5,439	8,141
Hall hire	120	-
	<u>5,559</u>	<u>8,141</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest	-	10
Rents received	4,690	-
	<u>4,690</u>	<u>10</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Madrasa and other course fees	Education	<u>18,360</u>	<u>18,150</u>
		<u>18,360</u>	<u>18,150</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Charitable activities	88,570	-	88,750
Support costs	<u>-</u>	<u>34,202</u>	<u>34,202</u>
	<u>88,570</u>	<u>34,202</u>	<u>122,772</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Imam salaries	37,650	35,917
Imam pension costs	1,506	1,808
Teachers' salaries	26,597	25,064
Teachers' pension costs	520	474
Event expenses	9,868	1,621
Funeral expenses	5,913	2,113
Congregation leaders	2,940	5,200
Donations	1,119	2,705
Food bank expenses	1,366	868
Islamic books	1,091	820
Other sundry direct costs	<u>-</u>	<u>2,013</u>
	<u>88,570</u>	<u>78,603</u>

9. SUPPORT COSTS

	Other support costs £	Finance costs £	Governance costs £	Totals £
Support costs	<u>29,377</u>	<u>320</u>	<u>4,505</u>	<u>34,202</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

9. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2022	2021
	Support	Support
	costs	costs
	£	£
Cleaner salary	4,491	1,242
Rent, rates and insurance	3,252	1,260
Light and heat	5,926	2,525
Telephone, internet and fax	757	467
Printing, postage and stationery	300	1,053
Sundry and other costs	1,187	200
Staff training	375	-
Repairs and maintenance	7,923	11,563
Legal and professional fees	4,505	11,045
Subscriptions	448	770
Bank charges	320	215
Software	520	200
Cleaning and waste disposal	1,085	544
Depreciation of tangible fixed assets	3,113	3,545
	<u>34,202</u>	<u>34,629</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	<u>3,113</u>	<u>3,545</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STAFF COSTS

	2022 £	2021 £
Wages and salaries	68,738	62,223
Other pension costs	<u>2,026</u>	<u>2,282</u>
	<u>70,764</u>	<u>64,505</u>

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

	2022	2021
Teachers' and congregation	7	7
Cleaner	<u>1</u>	<u>-</u>
	<u>8</u>	<u>7</u>

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,589,588	8,120	3,597,708
Other trading activities	8,141	-	8,141
Investment income	10	-	10
Charitable activities			
Education	<u>18,150</u>	<u>-</u>	<u>18,150</u>
Total	<u>3,615,889</u>	<u>8,120</u>	<u>3,624,009</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	75,622	2,981	78,603
Support costs	<u>34,629</u>	<u>-</u>	<u>34,629</u>
Total	<u>110,251</u>	<u>2,981</u>	<u>113,232</u>
NET INCOME/(EXPENDITURE)	<u>3,505,638</u>	<u>5,139</u>	<u>3,510,777</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	73,069	1,340	74,409
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>3,578,707</u>	<u>6,479</u>	<u>3,585,186</u>

14. PENSION COMMITMENTS

The Charity contributes to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the Charity in independently administered funds.

Total contributions made by the Charity during the year ended 31 December 2022 amounted to £4,364 (2021: £653) and outstanding contributions as at 31 December 2022 amounted to £3,674 (2021: £2,267).

15. TANGIBLE FIXED ASSETS

	Computer equipment £	Freehold property £	Furniture, fittings and equipment £	Plant & machinery £
COST				
At 1 January 2021	1,140	3,470,000	8,824	10,239
Additions	<hr/> -	<hr/> -	<hr/> -	<hr/> 539
At 31 December 2022	<u>1,140</u>	<u>3,470,000</u>	<u>8,824</u>	<u>10,778</u>
DEPRECIATION				
At 1 January 2021	797	-	2,922	3,237
Charge for year	<hr/> 343	<hr/> -	<hr/> 885	<hr/> 1,885
At 31 December 2022	<u>1,140</u>	<u>-</u>	<u>3,807</u>	<u>5,122</u>
NET BOOK VALUE				
At 31 December 2022	<u>-</u>	<u>3,470,000</u>	<u>5,017</u>	<u>5,656</u>
At 31 December 2021	<u>343</u>	<u>3,470,000</u>	<u>5,903</u>	<u>7,002</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

15. TANGIBLE FIXED ASSETS - continued

	Short leasehold £	Total £
COST		
At 1 January 2021	2,830	3,493,033
Additions	-	539
At 31 December 2022	2,830	3,393,572
DEPRECIATION		
At 1 January 2021	-	6,956
Charge for year	-	3,113
At 31 December 2022	-	10,069
NET BOOK VALUE		
At 31 December 2022	2,830	3,483,503
At 31 December 2021	2,830	3,486,078

16. INVESTMENT PROPERTY

	Total £
COST	
At 1 January 2021	-
Additions	122,231
At 31 December 2022	122,231
NET BOOK VALUE	
At 31 December 2022	122,231
At 31 December 2021	-

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	117	50
Other debtors	1,003	1,003
Prepayments	2,048	1,951
	3,168	3,004

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	304	304
Social security and other taxes	3,675	4,326
Other creditors	-	35,981
Accruals and deferred income	4,360	10,180
	<u>8,339</u>	<u>50,791</u>

19. MOVEMENT IN FUNDS

	At 1.1.22	Net movement in funds	At 31.12.22
	£	£	£
Unrestricted funds			
General fund	<u>3,578,707</u>	<u>35,994</u>	<u>3,614,701</u>
	<u>3,578,707</u>	<u>35,994</u>	<u>3,614,701</u>
Restricted funds			
Food bank	5,202	519	5,721
Funerals	1,277	(1,042)	235
Investment property	-	5,289	5,289
	<u>6,479</u>	<u>4,766</u>	<u>11,245</u>
TOTAL FUNDS	<u>3,585,186</u>	<u>40,760</u>	<u>3,625,946</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	<u>148,057</u>	<u>(112,063)</u>	<u>35,994</u>
	<u>148,057</u>	<u>(112,063)</u>	<u>35,994</u>
Restricted funds			
Food bank	1,885	(1,366)	519
Funerals	4,870	(5,912)	(1,042)
Investment property	8,720	(3,431)	5,289
	<u>15,475</u>	<u>(10,709)</u>	<u>4,766</u>
TOTAL FUNDS	<u>163,532</u>	<u>(122,772)</u>	<u>40,760</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	<u>73,069</u>	<u>3,505,638</u>	<u>3,578,707</u>
	73,069	3,505,638	3,578,707
Restricted funds			
Food bank	-	5,202	5,202
Funerals	<u>1,340</u>	<u>(63)</u>	<u>1,277</u>
	<u>1,340</u>	<u>5,139</u>	<u>6,479</u>
TOTAL FUNDS	<u><u>74,409</u></u>	<u><u>3,510,777</u></u>	<u><u>3,585,186</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>3,615,889</u>	<u>(110,250)</u>	<u>3,505,638</u>
	3,615,889	(110,250)	3,505,638
Restricted funds			
Funerals	2,050	(2,113)	(63)
Food bank	<u>6,070</u>	<u>(869)</u>	<u>5,202</u>
	<u>8,120</u>	<u>(2,982)</u>	<u>5,138</u>
TOTAL FUNDS	<u><u>3,624,009</u></u>	<u><u>(113,232)</u></u>	<u><u>3,510,777</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	<u>73,069</u>	<u>3,541,632</u>	<u>3,614,701</u>
	73,069	3,541,632	3,614,701
Restricted funds			
Food bank	-	5,721	5,721
Funerals	1,340	(1,105)	235
Investment property	<u> </u>	<u>5,289</u>	<u>5,289</u>
	<u>1,340</u>	<u>9,905</u>	<u>11,245</u>
TOTAL FUNDS	<u><u>74,409</u></u>	<u><u>3,551,537</u></u>	<u><u>3,625,946</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	<u>3,763,945</u>	<u>(222,313)</u>	<u>3,541,632</u>
	3,763,945	(222,313)	3,541,632
Restricted funds			
Funerals	6,920	(8,025)	(1,105)
Food bank	7,955	(2,234)	5,721
Investment property	<u>8,720</u>	<u>(3,431)</u>	<u>5,289</u>
	<u>23,595</u>	<u>(13,690)</u>	<u>9,905</u>
TOTAL FUNDS	<u><u>3,787,540</u></u>	<u><u>(236,003)</u></u>	<u><u>(3,551,537)</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

19. MOVEMENT IN FUNDS - continued

Purpose of funds

General fund

This fund represents the free funds of the Charity that are not designated for particular purposes.

Funerals

This fund represents donations received specifically for funerals to undertake burial and graveyard costs.

Food bank

This fund represents donations received specifically to replenish our food bank.

Investment property

This fund represents donations received specifically to maintain our investment property.

20. RELATED PARTY DISCLOSURES

During the year ended 31 December 2022 the following donations were received from the Trustees/Directors:

	2022	2021
	£	£
Dr R Zafar	1,580	963
Dr T Ahmed – Chairman	1,030	4,150
Mr A Rafique	300	250
Dr M Z Qureshi	600	850
	<u>3,510</u>	<u>6,213</u>

21. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Trustees as listed in the Report of the Trustees.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	117,912	3,579,367
Gift Aid	<u>17,011</u>	<u>18,341</u>
	134,923	3,597,708
Other trading activities		
Car park income	5,439	8,141
Hall hire	<u>120</u>	<u>-</u>
	5,559	8,141
Other trading activities		
Bank interest	-	10
Rents received	<u>4,690</u>	<u>-</u>
	4,690	10
Charitable activities		
Madrassa and other course fees	<u>18,360</u>	<u>18,150</u>
	<u>18,360</u>	<u>18,150</u>
Total incoming resources	163,532	3,624,009
EXPENDITURE		
Charitable activities		
Direct costs		
Imam salaries	37,650	35,917
Imam pension costs	1,506	1,808
Teachers' salaries	26,597	25,064
Teachers' pension costs	520	474
Event expenses	9,868	1,621
Funeral expenses	5,913	2,113
Congregation leaders	2,940	5,200
Donations	1,119	2,705
Food bank expenses	1,366	868

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THE ISLAMIC ASSOCIATION OF LINCOLN (REGISTERED NUMBER: 11084296)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Charitable activities		
Direct costs		
Brought forward	87,479	75,770
Islamic books	1,091	820
Other sundry direct costs	-	2,013
	88,570	78,603
Support costs		
Cleaner salary	4,491	1,242
Rent, rates and insurance	3,252	1,260
Light and heat	5,926	2,525
Telephone, internet and fax	757	467
Printing, postage and stationery	300	1,053
Sundry and other costs	1,187	200
Staff training	375	-
Repairs and maintenance	7,923	11,563
Subscriptions	448	770
Software	520	200
Cleaning and waste disposal	1,085	544
Depreciation of tangible fixed assets	3,113	3,545
	29,377	23,369
Finance costs		
Bank charges	320	215
	320	215
Governance costs		
Legal and professional fees	4,505	11,045
	4,505	11,045
	122,772	113,232
Total resources expended		
Net income/(expenditure)	40,760	3,510,777

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