

Registered charity number
257559

ISLAMIC CENTRE LEICESTER
FINANCIAL STATEMENTS AND REPORT
FOR THE YEAR ENDED 30 APRIL 2023

ISLAMIC CENTRE LEICESTER

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ISLAMIC CENTRE LEICESTER

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Harun Jussab
Mohammad Hafeez - Appointed on 16.09.2022
Mustafa Malik
Abdul Waheed Bajwa - Appointed on 21.10.2022
Moulana Shahid Raza - Passed away on 05.09.2022

Chairman

Abdul Waheed Bajwa

Principal address

Islamic Centre Leicester
2A Sutherland Street
Leicester
LE2 1DS

Charity registration number

257559

Accountants

Malik & Co
Certified Public Accountants
32 Turner Road
Leicester
LE5 0QA

Auditors

TC Group
31 High View Close
Hamilton Office Park
Leicester
LE4 9LJ

Bankers

Natwest
North Evington Branch
121a East Park Road
Leicester
LE5 4NY

AL Rayan Bank
94a London Road
Leicester
LE2 0QA

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023

The trustees submit their annual report along with audited financial statements of the charity for the year ended 30 April 2023. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements. The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

The charity, Islamic Centre Leicester is a charity registered with the Charity Commission under the registration number 257559.

Governing document

The Islamic Centre Leicester is an unincorporated charity controlled by its governing document, "The constitution of the Islamic Centre Leicester". The constitution was adapted on 3 November 1968 and and subsequently amended on 12 October 1986.

Objectives and activities

The objectives of the charity are as per its trust deed. The main activities of the charity during the year were providing places of worship for Muslims and promoting, improving, developing and maintaining public education in and appreciation of Islamic values and ethos.

The aims of the Trust are to:

- To promote the spiritual teachings of the Islamic religion and the maintenance of the doctrines on which it rests and of the observations that serve to promote and manifest it especially amongst the Muslims residing in Leicester and in the county of Leicestershire.
- Adopt ways and means in order to improve, protect and promote the Religious, Educational, Social and Cultural interests of all Muslims living within the local area.
- To serve as a Centre of Learning and to teach the principles of the Islamic Faith in accordance with the Sunni Path.
- To actively promote and provide facilities and activities for the benefit of local Muslim men and women, young and elderly.

In order to achieve these objectives the trustees have considered the Charity Commission's general guidance on public benefit and also supplementary guidance on the advancement of religion for public benefit.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

Public benefit statement

In planning our activities, we have considered guidance from the Charity Commission to ensure we meet our public benefit requirements.

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefits to those who worship at the mosque and the wider community.

Achievements and performance

Over the past few years, attendance at the Islamic Centre Leicester has increased significantly. Following the end of the Covid lockdown, our facilities have resumed normal operations, witnessing a notable increase in the availability of Islamic prayer facilities. This phenomenon is particularly noticeable during peak periods, such as Friday prayers, school holidays, and the two Islamic festivals.

Review of the year

Activities conducted by the Islamic Centre Leicester (ICL)

The ICL is dedicated to promoting and providing facilities and activities for the benefit of the local Muslim community. The Charity is delivering its aims with due diligence. This year, we continued with following programmes and initiatives, and looked for new, creative and inspiring ways to strengthen our relationship with the community we serve.

Activities conducted by the Islamic Centre Leicester include:

1. Mosque and religious services

• Prayer Facilities

Our mosques are open every day of the year for congregational prayers (The five daily prayers, Friday prayers and Tarawih prayers during Ramadan). Our facilities are open to women and they are welcome to participate in all prayers, including Friday prayers as well as other activities and events.

During the winter months, the Central Mosque site (conduit Street) remained open to the public from Zuhr Salah to Isha Salah (afternoon prayer to the last evening prayer), allowing worshippers more flexibility and access to the mosque for longer hours. The Islamic Centre witnessed many individuals benefit from this facility, many of whom expressed their appreciation.

• Ramadan

The month of Ramadan is the most eventful time in the ICL calendar. Thousands participate in prayers each night. Meals to break the fast (Iftar) were provided every evening.

• Eid Prayer

Celebrating the important festival of Eid ul-Fitr (marking the end of the month of Ramadan), Eid ul-Adha and Eid Mawlid an-Nabawi were major events of the year.

With an increasing number of attendees at our events, particularly during the Eid Salah on both Eids, we have expanded the number of Eid prayers at both of our mosques. This adjustment was aimed to accommodate the growing numbers and cater to attendees' preferences for specific times, such as early or late mornings.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

2. Education

The Islamic Centre Madrasah is a well-established Islamic school for educating Muslim children in the fundamentals of the Islamic faith, and is attended by over 220 students, the numbers does change up and down occasionally due to people moving in or out of the vicinity.

Our aim at ICL Madrasah is to help our students fulfil the obligation of seeking knowledge through the study of Islam and the Qur'an. This not only enables them to gain immense reward but also helps them to comprehend and subsequently fulfil their role within the society they live in as British Muslims.

• Facts and figures

The Madrasah currently has 220 students aged between 4½ and 30. Daily classes of which there are twelve in total run from two different sites namely Sutherland Street Mosque and Leicester Central Mosque Conduit Street. There are 3 boys' classes and 3 girls' classes with 3 mixed reception classes for minors. Along with these classes, we have three additional classes that provide more advanced knowledge in Islamic studies, 2 Aalim classes for adults and 1 Hifz class.

• Current Syllabus

The Madrasah syllabus is a broad one designed to cover a wide range of subjects and topic areas. These include:

- Holy Qur'an with Tajweed
- Islamic Deeniyaat
- Islamic History and Jurisprudence (Fiqh)
- Aalim (religious scholar) & Hifz (memorization of the Holy Qur'an) Classes
- Arabic language class (selected children)

2a. Adult Courses/Workshops

In addition to our education services for children, the Islamic centre offers educational courses for adults. The following courses that we offered this year proved to be very effective and well-attended, with a total attendance of over 200 people.

• **Islamic inheritance course** - the course focused on the basic principles of Islamic inheritance as well as discussing how English common law applies to this topic. The course also incorporated lessons and practical demonstration on Muslim funeral rites such as how to bathe and enshroud the deceased.

• **Fiqh (Jurisprudence)** - two separate classes were run simultaneously for men and women. The sessions allow attendees to enhance their knowledge on certain jurisprudence rules equipping them with practical application in daily life. Amongst the subjects covered was the chapter of purification.

• **Arabic language course** - open to and attended by both men and women. The course provides an opening for students to gain a better understanding of Arabic words and grammar to open up further doors of study and progression.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

3. Schools Educational Visits

Ever since its inception in 1968, the ICL has understood the importance of inter-faith relations, community cohesion and the positive promotion of Islam to children and adults alike. Each year the Leicester Central Mosque welcomes countless schools, colleges, universities, organisations, professional bodies and individuals to the mosque where they learn about the work we do in the community and about the religion of Islam.

The ICL proudly celebrates hosting 60-70 schools and colleges from Leicestershire and beyond.

The one-hour visit comprises of an open tour of the mosque of both the men and women sections followed by a programme run by our Imam on the articles of faith and the importance of being British Muslims. The programme is aimed to support the schools on their Religious Education programme of study to supplement their learning. Practical demonstrations reinforce their learning in school. The sessions are concluded with an opportunity for asking questions, a fundamental feature of the visit as the Charity believes in allowing students and teachers a space and an opportunity to ask a range of questions. Over the many years, the school and colleges have built a trusting relationship, which it dearly values. Repeat school visits are a testament to the relationship the Charity promotes and builds.

The Charity has made the mosque visits accessible to all by featuring an online booking on the website, or by direct contact. The flexibility of the Imam to serve the people has ensured that to date no school, organisation, or even individual person's request has been turned down.

We hope to develop this further by maintaining an open door policy that promotes a positive image of Islam, its values and message and the role it plays in building stronger communities.

4. Interfaith, Diversity, Cohesion and Outreach

As a Muslim faith organisation, our core values centre around the principles of understanding and mutual respect for all individuals, regardless of their faith. We firmly believe in fostering interfaith relations as a means to promote harmony within our diverse society.

We recognize the importance of dialogue and cooperation among people of different faiths as a way to build bridges and create a cohesive society. This perspective extends to individuals who may identify with no specific faith, as we believe that every person deserves respect and understanding, irrespective of their religious convictions.

In promoting interfaith harmony, we envision a society where people from various faith backgrounds come together in a spirit of goodwill, breaking down barriers and fostering connections. It is through this shared commitment to respect and understanding that we believe societies can truly flourish.

The interfaith events organised by the Charity plays a crucial role in fostering community cohesion and promoting interfaith relations and harmony. These events and celebrations serve as a platform for individuals from various backgrounds and faiths to come together in a spirit of unity, mutual understanding, and respect.

These events provide an opportunity for religious leaders from the community to address the congregation, sharing insights on the importance of community cohesion and addressing various issues that are relevant to the diverse audience. By giving religious leaders a platform to speak, the Charity encourages dialogue, bridge-building, and the exchange of ideas between different faiths.

One of the key goals of the interfaith events is to emphasize the common values shared among different communities and faiths. By showcasing unity and solidarity, the events help break down stereotypes and prejudices, fostering a sense of belonging and acceptance among attendees.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

In addition to the religious leaders' addresses, the event may include cultural performances, workshops, and interactive sessions that promote mutual understanding and appreciation for different customs and traditions. By incorporating these elements, the Charity not only strengthens interfaith relations but also contributes to building a more inclusive and harmonious community.

The impact of such events extends beyond the day of the celebration. They serve as catalysts for ongoing community engagement, encouraging individuals from diverse backgrounds to continue working together on various projects, initiatives, and shared goals. This sustained collaboration helps create a sense of community that transcends religious and cultural boundaries, promoting a harmonious coexistence that benefits everyone involved.

The Charity's commitment to organising and supporting such interfaith events reflects its dedication to building a cohesive, integrated, and tolerant society where individuals from all walks of life can thrive together.

5. Other Services for the Community

- **Funeral Facilities:**

A complete funeral service in line with the teachings of Islam. We relieve the deceased's bereaved relatives of the burden of organising burials.

The Charity provides a complete funeral service package that carries both the religious aspects of the funeral services and the logistics of transportation and storage of the deceased body. The Charity liaises with the council for the burial arrangements and it aims to support the bereaved families by providing a service that allows a smooth transition.

- **Nikah (Islamic Marriage):**

Family life is the foundation of a successful society, and marriage is an occasion of great joy in the Muslim community.

The Charity provides the Muslim community with Islamic marriage the Nikah service. As part of the booking process, the couple schedules an appointment to go over the formalities and ask questions to ensure a smooth ceremony.

While valid in the Islamic context, the 'normal' Mosque Nikah ceremony is not a valid marriage in the UK on its own; it is solely a religious ceremony.

The Islamic Centre Leicester has a policy of recommending all individuals, particularly women, who participate in a Nikah ceremony that they should register their marriage, preferably before Nikah, so that they are considered as husband and wife under UK law.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

6. Other community engagement activities

- **NHS Galleri Trials Clinic**

The collaboration between the Islamic Centre and the NHS saw the hosting of Galleri Trial clinics at the Leicester Islamic Centre. These clinics played a crucial role in assisting the NHS in its research on early cancer detection. The program required participants to engage in three appointments spread over a span of three years, with intervals of approximately 12 months between each appointment.

- **MP and Councillors Surgery:**

The Charity hosts a free MP Council drop in service to its community without the need of an appointment system in order for the service it provides to be easily accessible to all. The MP and Councillors service has helped and resolved issues ranging from housing, business to Home Office queries. The service is provided by the Leicester South MP and Councillors from the local wards of Spinney Hills, Wycliffe and Stonegate.

- **Tell MAMA'S Surgery**

The Charity provides the space and facilities to allow Tell MAMA to hold their surgery on monthly basis. TELL MAMA supports victims of anti-Muslim hate and offers advice and support to victims of hate crime. The service is free for all Leicester and Leicestershire residents, without the need of an appointment system.

- **Ramadan Iftar**

The mosque prepares food during Ramadhan for those attending our mosque who wish to break their fast together.

- **Community Events**

These are for the benefit of the wider community, such as talks and conferences.

7. Working with statutory and other bodies

- The Charity has and continues to provide the local authority and its services, namely the Social services, Education department and the Leicestershire Constabulary an opportunity to visit the mosque and learn about Muslims in Britain and its faith as well as to ask questions.

- The Charity has always, as and when needed provided an information desk to local service providers to benefit the community on a range of health related issues. This ranges from advice on mental health issues provided by the NHS as well as advice and support in order to quit smoking and health awareness campaigns on diabetes. There have been self-referrals to the organisations as follow-ups. The information desk has also given space for Tell MAMA on ways to support families and individuals experiencing anti-Muslim hate crime.

8. Health and well-being

The Charity promotes the wellbeing of its congregation for both men and women on 4 evenings of the week by providing sporting activities such as badminton tournaments and basketball in its popular sports hall. It aims to increase this as and when the demand arises.

9. Spiritual well-being

The charity recognises the need and importance of physical as well as spiritual well being. We hold spiritual gatherings every Thursdays with a focus on heart purification through Zikr (chanting the names of Allah). The attendees are also encouraged towards reflection, contemplation in order to become better Muslims and citizens.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

10. Women only activities

Activities at the Centre in general are open to men and women however; some activities are catered for women only and are led by the Islamic Centre Women's Association (ICWA).

The Main objectives of the ICWA are to:

- work for the welfare and well-being of Muslim women
- enlighten women with the knowledge of Islam
- assist women in developing their self-confidence and self-respect
- enable women to deal with issues faced by Muslim women

ICWA organised a range of spiritual activities throughout the year on weekly and monthly basis. This is a sample of some of the many activities held at the Centre for women:

- Ladies Tajweed class
- Ladies Sports
- Ladies Ghosia Khatam
- Ladies Dars-a-Quran
- Ladies Essential Knowledge Class (Support for new Muslim sisters)

11. Volunteers

The charity is grateful for the efforts of its volunteers who are involved in service provision and fundraising. It has not been possible to quantify the sterling efforts of our volunteers.

Principal risks and uncertainties

The trustees have responsibility for ensuring that there are effective risk management and systems of internal control in place to manage the charity and major risks and support the achievement of our strategic objectives.

The principal risks to the charity and how these are managed is set out below.

• Risk - financial performance and sustainability

Risk concerning financial performance and sustainability includes any significant reduction in fundraising due to economic conditions. This risks undermining our ability to meet the needs of our users and to meet our strategic aims.

Risk concerning financial performance and sustainability is managed by the holding of a significant value of reserves and a regular review of charity reserves to ensure these remain within the target set by the Trustees. Senior management and the Trustees also regularly review and scrutinise the charity's short and medium term financial position.

• Risk - safe guarding of vulnerable and young people

Risk concerning the safeguarding of vulnerable and young people includes:

- negligence in relation to safeguarding policies, or
- when practice results in or contributes to serious harm, or
- injury to a young person or vulnerable adult which damages ICL's reputation.

Risk concerning the safeguarding of vulnerable and young people is managed by safeguarding training for all employees working directly with vulnerable and young people.

ISLAMIC CENTRE LEICESTER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

• Risk - Information security

Risk concerning information security includes serious data protection or security failure that may result in legal and contractual issues, reputational damage and potential fines and loss of income.

Risk concerning information security is managed by having a structure in place for General Data Protection Regulation (GDPR) monitoring and compliance and by the routine testing of IT systems to identify any security weaknesses.

Reserves Policy

Islamic Centre recognises the importance of having reserves. These funds are freely available to spend on any of the charity's purposes and hence exclude restricted funds. They will be used to mitigate significant falls in income or to take advantage of new opportunities. ICL faces a number of risks that may result in the need to use the charity's reserves. Some of these include:

- Reduction in donations from congregation / members of the public.
- Unexpected refurbishment costs
- External factors affecting the charity, such as National Living Wage increases or increasing utility bills.

Reserves are represented by the fund balances as disclosed in the balance sheet on page 15 of the financial statements. The balance sheet shows unrestricted reserves (reserves that do not carry any restrictions on how they can be used) of £4,179,435 as at 30 April 2023 (2022: £4,165,838).

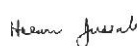
In assessing our level of free reserves as at 30 April 2023, we also exclude restricted funds totalling to £171,514 and fixed assets totalling £2,158,356. The reserve represents the free funds of the charity of which £1,050,000 are designated for the construction of the Minaret. This leaves free reserves at £971,079 as at 30 April 2023.


ICL has set its reserves at £195,000, this covers approximately six months operational expenditure. It is the Trustees view that this amount means the charity has a balanced approach between having funds available to run the charity on a day-to-day basis, and keeping funds aside in case any of the risks mentioned above materialise. The Trustees also believe this level of reserves provides the charity with adequate financial stability and the means to meet its charitable objectives for the future. The level of reserves will be reviewed annually to ensure alignment with risks the charity faces.

Auditors

A resolution proposing that TC Group be re-appointed as auditors of the charity will be put to the Trustees' Meeting.

This report was approved by the board on 28 February 2024


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Harun Jussab
Trustee


.....
A W Bajwa
Trustee

ISLAMIC CENTRE LEICESTER

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 30 APRIL 2023

Charity law 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 surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on a going concern basis
- Review major risks and establish systems or procedures to manage those risks

The trustees have the overall responsibility of ensuring that the charity has appropriate system of controls, ensure that the financial statements comply with the Charities Act 2011, The Charity (Accounts & disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charity (Accounts & 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.

ISLAMIC CENTRE LEICESTER

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ISLAMIC CENTRE LEICESTER

Opinion

We have audited the financial statements of Islamic Centre Leicester for the year ended 30 April 2023, which comprise the Statement of Financial Activities, Balance Sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ISLAMIC CENTRE LEICESTER

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ISLAMIC CENTRE LEICESTER (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where The Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the information given in the Trustees' report is inconsistent, and if any material is repeated in the financial statements; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 9), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

ISLAMIC CENTRE LEICESTER

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ISLAMIC CENTRE LEICESTER (CONTINUED)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework.

We understood how the charity is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charity has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

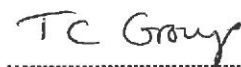
We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to the trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....

TC Group
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
31 High View Close
Hamilton Office Park
Leicester
LE4 9LJ

29/2/2024

ISLAMIC CENTRE LEICESTER

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 APRIL 2023


	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Year ended 30 April 2022 £
Income and Endowments From					
Donations and legacies	2	411,531	104,827	516,358	689,354
Investment income	3	30,056	-	30,056	6,607
Coronavirus Job Retention Scheme	4	-	-	-	5,365
Other grants		-	-	-	400
Total		441,587	104,827	546,414	701,726
Expenditure On					
Charitable activities	5	417,776	33,534	451,310	241,621
Governance costs	6	10,214	-	10,214	10,200
Total		427,990	33,534	461,524	251,821
Net income/ (expenditures)		13,597	71,293	84,890	449,905
Transfers					
Gross transfers between funds		-	-	-	-
Net movement in funds		13,597	71,293	84,890	449,905
Reconciliation of Funds					
Total Funds brought forward		4,165,838	100,221	4,266,059	3,816,154
Total Funds carried forward		4,179,435	171,514	4,350,949	4,266,059

ISLAMIC CENTRE LEICESTER


BALANCE SHEET AS AT 30 APRIL 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	10	2,158,356	2,212,041
		<u>2,158,356</u>	<u>2,212,041</u>
Current assets			
Stock		3,720	3,680
Debtors	11	11,245	15,892
Cash at bank and in hand	12	2,270,279	2,059,392
		<u>2,285,244</u>	<u>2,078,964</u>
Creditors: amounts falling due within one year	13	92,651	24,946
Net current assets		<u>2,192,593</u>	<u>2,054,018</u>
Net assets		<u>4,350,949</u>	<u>4,266,059</u>
Funds:			
Unrestricted funds	14	4,179,435	4,165,838
Restricted funds	14	171,514	100,221
Total funds		<u>4,350,949</u>	<u>4,266,059</u>

The financial statements on pages 14 to 23 were approved by the trustees on 28 February 2024 and signed on their behalf by:



 Harun Jussab
 Trustee



 A W Bajwa
 Trustee

ISLAMIC CENTRE LEICESTER

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from operations	a	198,656	518,572
Net cash provided by (used in) operating activities		198,656	518,572
Cash flows from investing activities:			
Purchase/acquisition of tangible assets		(17,825)	(320,942)
Income from investments		30,056	6,607
Net cash provided by (used in) investing activities		12,231	(314,335)
Change in cash and cash equivalents in the year		210,887	204,237
Cash and cash equivalents at the beginning of the year		2,059,392	1,855,155
Cash and cash equivalents at the end of the year		2,270,279	2,059,392

ISLAMIC CENTRE LEICESTER

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2023

a. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the year (as per the statement of financial activities)	84,890	449,905
Adjustments for:		
Depreciation charges	71,510	71,758
Profit from investments	(30,056)	(6,607)
(Increase)/decrease in stock	(40)	(435)
Decrease/(increase) in debtors	4,647	(3,207)
(Decrease)/increase in creditors	67,705	7,158
Net cash provided by operating activities	<u>198,656</u>	<u>518,572</u>

b. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.22 £	Cash Flow £	At 30.4.23 £
Net Cash			
Cash at bank	<u>2,059,392</u>	<u>210,887</u>	<u>2,270,279</u>
Total	<u>2,059,392</u>	<u>210,887</u>	<u>2,270,279</u>

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

(c) Fund Accounting

General funds (Lillah) are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds (Sadqah / Zakaat) are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund where permissible, otherwise from the unrestricted fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, such as deposit interest, and gains are allocated to the appropriate fund.

(d) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts / items donated by businesses & communities for distribution to the poor & needy are only included as income where a reliable valuation is available. Otherwise only the costs associated with the transportation and distribution of these items are shown in the financial statements. No amounts are included in the financial statements for services donated by volunteers.

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

(f) **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(g) **Charitable expenditure**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(h) **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements including audit, strategic management and trustees' meetings and reimbursed expenses.

(i) **Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold land and buildings	2% straight line method
Fixtures, fittings and equipment	25% reducing balance method
Motor vehicles	25% reducing balance method

(j) **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

(k) **Taxation**

The charity is exempt for Taxation purposes and is not registered for VAT. However, the charity is allowed to reclaim tax on donations received under Gift Aid scheme.

(l) **Stock Accounting Policy**

Stocks are valued at the lower cost and net realisable value after making due allowances for obsolete and slow moving items.

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

2	Donations and legacies				
		Unrestricted	Restricted	Total	Year ended
		Funds	Funds	2023	30 April 2022
		£	£	£	£
	Lillah	243,983		243,983	212,558
	Zakat/Sadka/Fitra	-	104,827	104,827	57,366
	Friday collection	38,510		38,510	43,146
	Tuition fees	55,963		55,963	57,040
	Funeral services	15,825		15,825	5,081
	Disposal of recycled clothing	1,975		1,975	2,024
	Hall hire	7,770		7,770	4,600
	Donation property	-		-	250,000
	Donation ambulance	-		-	17,500
	HMRC Gift Aid	47,505		47,505	40,039
		411,531	104,827	516,358	689,354
3	Investment Income				
		Unrestricted	Restricted	Total	Year ended
		Funds	Funds	2023	30 April 2022
		£	£	£	£
	Income from savings	15,331	-	15,331	7
	Rental income	14,725	-	14,725	6,600
		30,056	-	30,056	6,607
4	Other income				
		Unrestricted	Restricted	Total	Year ended
		Funds	Funds	2023	30 April 2022
		£	£	£	£
	Coronavirus Job Retention Scheme	-	-	-	5,365
	Other Grant	-	-	-	400
		-	-	-	5,765
5	Charitable activities cost				
		Unrestricted	Restricted	Total	Year ended
		Funds	Funds	2023	30 April 2022
		£	£	£	£
	Donations paid out to beneficiaries	-	33,534	33,534	23,900
	Niaz, langar and food distribution	23,821		23,821	17,193
	Hall services	7,394		7,394	6,025
	Coffins, funeral and ambulance cost	10,900		10,900	-
	Wages and salaries	90,593		90,593	63,590
	Staff pension	706		706	539
	Rates and water	4,494		4,494	6,629
	Telephone	1,345		1,345	2,116
	Insurance	4,973		4,973	5,624
	Light and heat	27,695		27,695	22,096
	Motor expenses	-		-	5,049
	Repairs and renewals	162,207		162,207	5,798
	Postage and stationery	206		206	89
	Sundry and cleaning	7,674		7,674	8,047
	Paypal charges	231		231	306
	Sumup charges	1,165		1,165	-
	Bank charges	2,862		2,862	2,862
	Depreciation	71,510		71,510	71,758
		417,776	33,534	451,310	241,621

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

6 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Year ended 30 April 2022 £
Statutory Audit	5,400	-	5,400	4,200
Accountancy	3,600	-	3,600	4,200
Legal fee	1,214	-	1,214	1,800
	<u>10,214</u>	<u>-</u>	<u>10,214</u>	<u>10,200</u>

7 Staff numbers

	Total 2023 £	Year ended 30 April 2022 £
The average number of employees during the year was as follows:		
Imams and Teachers	13	13
	<u>13</u>	<u>13</u>

8 Staff costs

	Total 2023 £	Year ended 30 April 2022 £
Wages and salaries	90,593	63,590
Pension	706	539
	<u>91,299</u>	<u>64,129</u>

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

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

9 Trustees' remuneration and expenses and related party transactions

There were no trustees' remuneration or other benefits for the year ended 30 April 2023 nor for the year ended 30 April 2022.

There were no travelling expenses during the year (2022: £NIL)

10 FIXED ASSETS

	Freehold Land & Buildings	Fixtures fittings & Equipment	Motor Vehicles	TOTAL
Cost				
B/fwd	2,647,054	220,075	21,000	2,888,129
Additions		17,825		17,825
	<u>2,647,054</u>	<u>237,900</u>	<u>21,000</u>	<u>2,905,954</u>
Depreciation				
B/fwd	491,464	176,997	7,627	676,088
Charge for year	52,941	15,226	3,343	71,510
	<u>544,405</u>	<u>192,223</u>	<u>10,970</u>	<u>747,598</u>
Net Book Value				
30 April 2023	<u>2,102,649</u>	<u>45,677</u>	<u>10,030</u>	<u>2,158,356</u>
30 April 2022	<u>2,155,590</u>	<u>43,078</u>	<u>13,373</u>	<u>2,212,041</u>

11 Debtors

	2023 £	2022 £
Debtors and prepayments	11,245	15,892
	<u>11,245</u>	<u>15,892</u>

12 Cash at Bank and in hand

	2023 £	2022 £
Cash and Bank balances	2,270,279	2,059,392
	<u>2,270,279</u>	<u>2,059,392</u>

ISLAMIC CENTRE LEICESTER

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023 (CONTINUED)

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Wages and PAYE	6,023	170
Trade creditors	74,011	16,996
Accountancy and Audit fee	12,480	7,680
Pension	137	100
	<u>92,651</u>	<u>24,946</u>

14 Statement of funds

	At 1 May 2022 £	Incoming resources £	Resources expended £	Transfers £	At 30 April 2023 £
Unrestricted funds:					
Reserves	4,165,838	441,587	(427,990)	-	4,179,435
Total unrestricted funds	<u>4,165,838</u>	<u>441,587</u>	<u>(427,990)</u>	<u>-</u>	<u>4,179,435</u>
Restricted funds:					
Zakat/Sadka/Fitra	100,221	104,827	(33,534)	-	171,514
Total restricted funds	<u>100,221</u>	<u>104,827</u>	<u>(33,534)</u>	<u>-</u>	<u>171,514</u>
Total funds	<u>4,266,059</u>	<u>546,414</u>	<u>(461,524)</u>	<u>-</u>	<u>4,350,949</u>

The reserve represents the free funds of the charity which are not designated for particular purposes.

15 Movements in funds

	At 1 May 2022 £	Net movement in funds £	At 30 April 2023 £
Unrestricted funds:			
General funds	4,165,838	13,597	4,179,435
Restricted funds:			
Restricted	100,221	71,293	171,514
Total funds	<u>4,266,059</u>	<u>84,890</u>	<u>4,350,949</u>

16 Related party disclosures

There were no related party transactions for the year ended 30 April 2023.

