

AL KALIMA

England & Wales · Charity number 1079965

Details

Status Registered

Legal form CIO

Registered 2000-03-22

Register [View on the Charity Commission register](#)

Contact

Address 7 Westbourne Gardens
Trowbridge
BA14 9AW

Phone 01225719012

Email alkalima@blueyonder.co.uk

Website www.al-kalima.com

Activities

Objects: THE ADVANCEMENT OF THE CHRISTIAN RELIGION AMONG ADHERENTS TO THE MUSLIM FAITH BY THE PUBLISHING AND DISTRIBUTION OF CHRISTIAN LITERATURE

Activities: Publishing and distribution of Christian literature

Classification

- **How:** Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE WORLDWIDE
- Lebanon
- Tunisia
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|--------|-----------|
| 2024-12-31 | £49,823 | £56,940 | - | - |
| 2023-12-31 | £56,109 | £73,887 | - | - |
| 2022-12-31 | £132,236 | £114,431 | - | - |
| 2021-12-31 | £95,556 | £83,291 | - | - |
| 2020-12-31 | £36,390 | £58,099 | - | - |

Trustees

| Name | Role | Appointed |
|-----------------------|------|------------|
| Duncan Peters | | 2023-11-10 |
| EDMUND JAMES GREENING | | |
| Hannah Roelofse | | 2026-01-16 |

AL KALIMA

England & Wales - Charity number 1079965

Accounts



(A Company Limited by Guarantee)

UNAUDITED REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

CHARITY NUMBER: 1079965

REGISTERED COMPANY NUMBER: 03693242

Contents

| | Page |
|--------------------------------------------------------------------------------|------|
| Reference and administrative details of the Company, its trustees and advisers | 3 |
| Trustees' report | 4-5 |
| Independent examiner's report | 6 |
| Statement of financial activities | 7 |
| Balance sheet | 8 |
| Notes to the financial statements | 9-14 |
| Income and expenditure account | 15 |

Al Kalima
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

31 DECEMBER 2024

| | |
|-----------------------------------|--------------------------------------------------------------------------------------------------------|
| TRUSTEES AND DIRECTORS: | E J Greening D Peters M Tinawi |
| SECRETARY: | E J Greening |
| REGISTERED OFFICE: | 7 Westbourne Gardens Trowbridge BA14 9AW |
| REGISTERED COMPANY NUMBER: | 03693242 (England and Wales) |
| REGISTERED CHARITY NUMBER | 1079965 |
| INDEPENDENT EXAMINER: | Ginny Santer Monetaire Accountants Limited Sovereign House, 22 Shelley Road Worthing BN11 1TU |

REPORT OF THE TRUSTEES for the year ended 31 December 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 December 2024.

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).

Structure, governance and management

The charity is a company limited by guarantee without a share capital. The limit of the members' liability under the terms of the company's Memorandum and Articles is £1.00 each.

Trustees meet at least twice a year to agree the broad strategy and areas of activity for the charity. The charity has no employees so the trustees share the responsibilities of fundraising and day-to-day administration. All trustees give of their time freely and no trustee received remuneration or expenses during the year. There are currently no formal induction or training programmes for directors.

Risk assessment and management

The trustees have considered the major risks to which the charity is exposed and seek to manage them on an ongoing basis.

Our major operational risk is the security situation in the Arab world, which sometimes hinders our ability to print and distribute books

Financially, the charity relies mainly on private donations and grants from funding partners for specific projects. Most of this funding comes from the USA.

Objectives and activities for the public benefit

Al Kalima seeks to advance a clear understanding of Christian belief among Muslims by the publishing and distribution of culturally relevant Christian literature and digital media.

The charity's strategic objectives are:

- To make available a translation of Scripture in Arabic understandable to Muslims and faithful to the original text
- To publish Christian books which will help Muslims understand Christian beliefs
- To place our titles in the commercial mainstream of Arabic publishing and distribution
- To use other forms of media to disseminate more widely the message of our books
- To partner with other like-minded organisations to achieve our objectives

Review of activities

The most significant event of 2024 was the return of our founder Mazhar Mallouhi to his home country of Syria. He had visited twice before many years ago but had found that the security services had a file on him, a kind of guilt by association going back decades. In 2024 he was able to ascertain that he was no longer a person of interest and was free to enter and leave the country as he wished.

This is of enormous significance to the work of Al Kalima and to Mazhar's long-held desire to witness to his fellow countrymen. Now at 90 he would be able to fulfil his dream and actively promote our books, which have been distributed freely in that country for several years.

In early 2025 he was interviewed for an online newspaper, with glowing tributes from his friends in academia and book distribution. His life has impacted so many people in the Arab world and beyond that only in eternity will the full extent of his influence be known.

Digital publishing has continued, both in standard Arabic, based on our True Meaning translation, and in Arabic dialects of North Africa through the Tanara-Jazara project. This project will wind down in 2025,

Al Kalima
(A Company Limited by Guarantee)

though we will be exploring ways of continuing, as there is still a lot of translated material which need to be transformed into online content.

Our chairman, Barrie Evans, was promoted to glory on 30 March. His wisdom and deep theological reflections will be missed. When the controversy over divine familial terms in Muslim-idiom translations surfaced some years ago. Having been at the coal face of Bible translation in a Muslim country, Barrie steered Al Kalima through some choppy waters with his clear understanding of the issues.

Financial review

In terms of our income and expenditure two projects continue to dominate. The Tanara-Jazara project is funded by The Seed with additional funding from Ascend Partners. This project will wind down in 2025. The other main project is the printing and distribution of Scriptures in Syria, which will continue as long as we are able to raise funds and the opportunity for distribution remains.

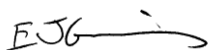
Al Kalima has continued to benefit from the generosity of a small number of donors. It has often been the case that we have printed books before we have the funds to do so. The faithfulness of God in providing and the trust of our suppliers has enabled us to continue doing this over many years. Gifts often come as a result of appeals, but also at unexpected times from partners moved by the Holy Spirit to write Al Kalima a cheque.

Our fundraising efforts continue to be centred on the distribution of True Meaning in Syria and we anticipate seeking to raise further funds in 2025.

Reserves policy

Our reserves policy is such that the charity normally pays its expenses in cash and has no long-term liabilities. We aim to keep a reserve of \$2,000 (US dollars) which is equivalent to three months' unrestricted expenditure. In light of the current modest spending plans the trustees determine that the current balance of just over \$1,500 will be sufficient to cover this.

Approved by the trustees and signed on its behalf by:



.....
Edmund Greening

Al Kalima
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AL KALIMA (the Company)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

Responsibilities and basis of report

As the Trustees of the Company (and 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 the Company's accounts 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 – matter of concern identified

I have completed my examination. I have identified a matter of concern regarding the obtaining of documentation relating to some of the payments made to individuals in the course of their work for the charity. I understand that you will ensure tighter controls in the future in order to be able to demonstrate the nature of all transactions.

I confirm that no further 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 confirm there are no further matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Date: 21 May 2025

Al Kalima
(A Company Limited by Guarantee)

Statement of Financial Activities
for the year ended 31 December 2024

| | | Unrestricted | Restricted | 2024 Total funds | 2023 Total funds |
|------------------------------------|-------|----------------|----------------|------------------------|------------------------|
| | Notes | \$ | \$ | \$ | \$ |
| Income and endowments from | | | | | |
| Donations and legacies | 2 | 4,460 | 57,032 | 61,493 | 70,472 |
| Charitable activities | 3 | 1,121 | - | 1,121 | 957 |
| Total Incoming Resources | | <u>5,581</u> | <u>57,032</u> | <u>62,614</u> | <u>71,429</u> |
| Expenditure on | | | | | |
| Charitable activities | 4 | 7,322 | 64,237 | 71,558 | 94,060 |
| Total expenditure | | <u>7,322</u> | <u>64,237</u> | <u>71,558</u> | <u>94,060</u> |
| Net income/(expenditure) | | (1,741) | (7,204) | (8,945) | (22,631) |
| Transfers between funds | 11 | (1,565) | 1,565 | - | - |
| Net movement in funds | | <u>(1,565)</u> | <u>1,565</u> | <u>-</u> | <u>(22,631)</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 4,896 | 26,506 | 31,402 | 54,033 |
| Net movement in funds | | <u>(3,305)</u> | <u>(5,640)</u> | <u>(8,945)</u> | <u>(22,631)</u> |
| Total funds carried forward | | <u>1,591</u> | <u>20,866</u> | <u>22,457</u> | <u>31,402</u> |

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 14 form part of these accounts.

Al Kalima
(A Company Limited by Guarantee)

Balance Sheet as at 31 December 2024

| | Note | Unrestricted funds 2024 | Restricted funds 2024 | | Total funds 2024 \$ | Total funds 2023 \$ |
|------------------------------------------------|------|-------------------------------|-----------------------------|--------|------------------------------|---------------------------|
| Fixed assets | | | | | - | - |
| | | | | | - | - |
| Current assets | | | | | | |
| Cash at bank and in hand | 10 | 2,367 | 20,866 | 23,234 | | 31,233 |
| Accrued income | 9 | - | 3,000 | 3,000 | | 3,830 |
| Prepayments | 9 | - | - | - | | 1,035 |
| Creditors: amounts falling due within one year | 8 | 777 | 3,000 | 3,777 | | (4,696) |
| Net current assets | | 1,591 | 20,866 | | 22,457 | 31,402 |
| | | | | | | |
| Total assets less current liabilities | | 1,591 | 20,866 | | 22,457 | 31,402 |
| | | | | | | |
| Net assets excluding pension asset | | 1,591 | 20,866 | | 22,457 | 31,402 |
| | | | | | | |
| Total funds | | 1,591 | 20,866 | | 22,457 | 31,402 |
| | | | | | | |
| Charity funds | | | | | | |
| Unrestricted funds | 11 | | | | 1,591 | 4,896 |
| Restricted funds | 11 | | | | 20,866 | 26,506 |
| | | | | | | |
| Total funds | | | | | 22,457 | 31,402 |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006.

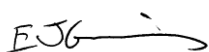
The members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The financial statements were approved for issue by the Trustees on:

and signed on their behalf by



.....
Edmund Greening

The notes on pages 9 to 14 form part of these accounts.

Al Kalima
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Al Kalima meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.5 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.6 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Al Kalima
(A Company Limited by Guarantee)

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

| | Unrestricted funds | Restricted funds | Total funds | <i>Total funds</i> |
|-----------|-------------------------------|-----------------------------|------------------------|------------------------|
| | 2024 | 2024 | 2024 | <i>2023</i> |
| | \$ | \$ | \$ | <i>\$</i> |
| Donations | 4,460 | 57,032 | 61,493 | 70,472 |

3. Income from charitable activities

| | Unrestricted funds | Restricted funds | Total funds | <i>Total funds</i> |
|----------------|-------------------------------|-----------------------------|------------------------|------------------------|
| | 2024 | 2024 | 2024 | <i>2023</i> |
| | \$ | \$ | \$ | <i>\$</i> |
| Sales of books | 1,121 | - | 1,121 | 957 |

4. Analysis of expenditure on charitable activities

| | Unrestricted funds | Restricted funds | Total funds | <i>Total funds</i> |
|---------------------------|-------------------------------|-----------------------------|------------------------|------------------------|
| | 2024 | 2024 | 2024 | <i>2023</i> |
| | \$ | \$ | \$ | <i>\$</i> |
| Direct costs - Activities | 7,322 | 64,237 | 71,558 | 94,060 |

5. Analysis of expenditure by activities

| | Activities undertaken directly | Support costs | Total funds | <i>Total funds</i> |
|---------------------------|-----------------------------------------------|--------------------------|------------------------|------------------------|
| | 2024 | 2024 | 2024 | <i>2023</i> |
| | \$ | \$ | \$ | <i>\$</i> |
| Direct costs - Activities | 54,776 | 16,783 | 71,558 | 94,060 |

Al Kalima
(A Company Limited by Guarantee)

6. Independent examiner's remuneration

| | 2024 | 2023 |
|---------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| | \$ | \$ |
| Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts | 777 | 796 |

7. Trustees' remuneration and expenses

During the year ended 31 December 2024 no trustees received any remuneration or benefits (2023 - \$NIL).

During the year ended 31 December 2023 no trustee expenses have been incurred (2023 - \$NIL).

8. Creditors: Amounts falling due within one year

| | 2024 | 2023 |
|------------------------------|--------------|--------------|
| | \$ | \$ |
| Accruals and deferred income | 3,777 | 4,696 |

9. Debtors and prepayments

| | Unrestricted funds | Restricted funds | Total funds | <i>Total funds</i> |
|----------------|---------------------------|-------------------------|--------------------|--------------------|
| | 2024 | 2024 | 2024 | 2023 |
| | \$ | \$ | \$ | \$ |
| Accrued income | - | 3,000 | 3,000 | 3,830 |
| Prepayments | - | - | - | 1,035 |
| | - | 3,000 | 3,000 | 4,865 |

10. Cash at bank and in hand

| | Unrestricted funds | Restricted funds | Total funds | <i>Total funds</i> |
|------------------|---------------------------|-------------------------|--------------------|--------------------|
| | 2024 | 2024 | 2024 | 2023 |
| | \$ | \$ | \$ | \$ |
| Current accounts | 2,367 | 20,836 | 23,234 | 31,233 |

Al Kalima
(A Company Limited by Guarantee)

11. Statement of funds

Statement of funds – current year

| | Balance as at 1 January 2024 | Income | <i>Expenditure</i> | Transfers in/out | Balance as at 31 December 2024 |
|---------------------------|---------------------------------------|---------------|--------------------|---------------------|-----------------------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Unrestricted funds | | | | | |
| General funds | 4,696 | 5,581 | 7,322 | (1,565) | 1,591 |
| Restricted funds | | | | | |
| Distribution | 16,054 | 25,990 | 39,009 | - | 3,035 |
| Tanara-Jazara | 10,452 | 31,042 | 25,227 | 1,565 | 17,831 |
| Total restricted | 26,606 | 57,032 | 64,236 | 1,565 | 20,866 |
| Total of funds | 31,402 | 62,614 | 71,558 | - | 22,457 |

Statement of funds – prior year

| | <i>Balance as at 1 January 2023</i> | <i>Income</i> | <i>Expenditure</i> | <i>Transfers in/out</i> | <i>Balance as at 31 December 2023</i> |
|------------------------------|-------------------------------------------------|---------------|--------------------|-----------------------------|---------------------------------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Unrestricted funds | | | | | |
| General funds – all funds | 10,709 | 8,604 | (14,466) | 48 | 4,896 |
| Restricted funds | | | | | |
| Restricted funds – all funds | 43,324 | 62,825 | (79,594) | (48) | 26,506 |
| Total of funds | 54,033 | 71,429 | (94,060) | - | 31,402 |

12. Description of funds

Distribution: Funds received to print and transport Scripture books for free distribution in certain Arab countries.

Tanara-Jazara: Funds received to translate Scripture into Tunisian and Algerian Arabic and to produce audio-visual materials from the translated portions.

13. Related party transactions

There were no related party transactions in 2024 nor in 2023.

Al Kalima
(A Company Limited by Guarantee)

14. Analysis of net assets between funds

Analysis of net assets between funds- current year

| | Unrestricted funds | Restricted funds | Total funds |
|-------------------------------|-----------------------|---------------------|---------------|
| | 2024 | 2024 | 2024 |
| | \$ | \$ | \$ |
| Current assets | 2,367 | 23,866 | 26,234 |
| Creditors due within one year | 777 | 3,000 | 3,777 |
| Total of funds | <u>1,591</u> | <u>20,866</u> | <u>22,457</u> |

Analysis of net assets between funds- prior year

| | Unrestricted funds | Restricted funds | Total funds |
|-------------------------------|-----------------------|---------------------|---------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Current assets | 5,691 | 30,406 | 35,302 |
| Creditors due within one year | 796 | 3,900 | 3,900 |
| Total | <u>4,896</u> | <u>26,506</u> | <u>31,402</u> |

15. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2024 | 2023 |
|--------------------------------------------------------------------------------|----------------|-----------------|
| | \$ | \$ |
| Net income/expenditure for the year (as per Statement of Financial Activities) | (8,945) | (22,631) |
| Net cash provided by/(used in) operating activities | <u>(8,945)</u> | <u>(22,631)</u> |

16. Analysis of cash and cash equivalents

| | 2024 | 2023 |
|----------------------------------------|---------------|---------------|
| | \$ | \$ |
| Cash in hand | <u>23,234</u> | <u>31,233</u> |
| Total cash and cash equivalents | <u>23,234</u> | <u>31,233</u> |

17. Analysis of changes in net debt

| | At 1 January 2024 | Cash inflows | At 31 December 2024 |
|--------------------------|-------------------------|----------------|---------------------------|
| | \$ | \$ | \$ |
| Cash at bank and in hand | <u>31,233</u> | <u>(7,999)</u> | <u>23,234</u> |
| Total of funds | <u>31,233</u> | <u>(7,999)</u> | <u>23,234</u> |

Al Kalima
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2023 | 2023 | 2023 |
|----------------------------------------------------------|--------------|-----------------------------|--------------|-----------------------------|
| | \$ | \$ | \$ | \$ |
| Income | | | | |
| Donations | 61,493 | | 70,472 | |
| Sales | <u>1,121</u> | | <u>957</u> | |
| | | 62,614 | | 71,429 |
| Gross income in the reporting period | | <u>62,614</u> | | <u>71,429</u> |
| Less: | | | | |
| Charitable Activities | | | | |
| Translation | 15,677 | | 16,836 | |
| Recording | | | 8,535 | |
| Digital media | 1,394 | | 2,783 | |
| Book production | 36,715 | | 46,357 | |
| Carriage | <u>990</u> | | <u>2,815</u> | |
| | | 54,778 | | 77,324 |
| Support costs | | | | |
| Travel | 6,100 | | 3,377 | |
| Computer equipment | | | 2,033 | |
| Accountancy | 776 | | 796 | |
| Consultancy | 5,690 | | 5,031 | |
| Sundries | 138 | | 139 | |
| Advertising | 2,272 | | 4,304 | |
| Web hosting | <u>359</u> | | <u>278</u> | |
| | | 15,335 | | 15,957 |
| Finance | | | | |
| Bank charges | 364 | | 302 | |
| Forex gains/losses | <u>1,083</u> | | <u>477</u> | |
| | | <u>1,447</u> | | <u>778</u> |
| Total expenditure | | <u>71,558</u> | | <u>94,060</u> |
| Net income/(expenditure) for the reporting period | | (8,944) | | (22,631) |
| Surplus/(deficit) for the reporting period | | (8,944) | | (22,631) |
| Surplus brought forward | | 31,402 | | 32,558 |
| Surplus carried forward | | <u><u>22,458</u></u> | | <u><u>31,402</u></u> |

AL KALIMA

England & Wales - Charity number 1079965

Accounts

Al Kalima
(A Company Limited by Guarantee)

UNAUDITED REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023
CHARITY NUMBER: 1079965

REGISTERED COMPANY NUMBER: 03693242

Al Kalima
(A Company Limited by Guarantee)

Contents

| | Page |
|--------------------------------------------------------------------------------|------|
| Reference and administrative details of the Company, its trustees and advisers | 3 |
| Trustees' report | 4-5 |
| Independent examiner's report | 6 |
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LEGAL AND ADMINISTRATIVE INFORMATION

31 DECEMBER 2023

TRUSTEES AND DIRECTORS:

Dr J B Evans
E J Greening
D Peters
M Tinawi

SECRETARY:

E J Greening

REGISTERED OFFICE:

7 Westbourne Gardens
Trowbridge
BA14 9AW

REGISTERED COMPANY NUMBER:

03693242 (England and Wales)

REGISTERED CHARITY NUMBER

1079965

INDEPENDENT EXAMINER:

Ginny Santer
Monetaire Accountants Limited
Sovereign House
22 Shelley Road
Worthing
BN11 1TU

REPORT OF THE TRUSTEES for the year ended 31 December 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 December 2023.

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Risk assessment and management

The trustees have considered the major risks to which the charity is exposed and seek to manage them on an ongoing basis.

Our major operational risk is the security situation in the Arab world, which sometimes hinders our ability to print and distribute books

Financially, the charity relies mainly on private donations and grants from funding partners for specific projects. Most of this funding comes from the USA.

Objectives and activities for the public benefit

Al Kalima seeks to advance a clear understanding of Christian belief among Muslims by the publishing and distribution of culturally relevant Christian literature and digital media.

The charity's strategic objectives are:

- To make available a translation of Scripture in Arabic understandable to Muslims and faithful to the original text
- To publish Christian books which will help Muslims understand Christian beliefs
- To place our titles in the commercial mainstream of Arabic publishing and distribution
- To use other forms of media to disseminate more widely the message of our books
- To partner with other like-minded organisations to achieve our objectives

Review of activities

The main activities of the charity in 2023 were printing books for distribution in Syria. There is a very active group of believers who have been giving out copies of True Meaning over the last few years. In the future we may look at publishing smaller Scripture portions to enable us to distribute more copies. Moreover, a smaller book will be more portable.

Our Luke Arabic/English diglot was published in India at the beginning of 2024, as print-on-demand. We would like to find ways of promoting this, through the participation of partners in the region. Al Kalima does not have the resources to expand distribution directly there.

Digital publishing has continued, both in standard Arabic, based on our True Meaning translation, and in Arabic dialects of North Africa through the Tanara-Jazara project.

We are glad to welcome Duncan Peters as a trustee. Duncan has been involved with ministry to Muslims and in publishing for several years and shares our goal of trying to build bridges of understanding. The board is actively looking for more new trustees. The charity is also reviewing its charitable objects with the purpose of better reflecting our aims and activities.

Al Kalima
(A Company Limited by Guarantee)

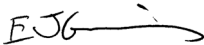
Financial review

Al Kalima has continued to benefit from the generosity of a small number of donors. The Seed Company has also continued funding of the Tanara-Jazara project, with additional funding from Ascend Partners. In order to pay general expenses, we have begun to deduct 10% from project gifts to cover administration. We anticipate conducting further fundraising for Syria distribution in 2024.

Reserves policy

Our reserves policy is such that the charity normally pays its expenses in cash and has no long-term liabilities. We aim to keep a reserve of \$4,000 (US dollars) which is equivalent to three months' unrestricted expenditure.

Approved by the trustees and signed on its behalf by:



.....
Edmund Greening

Al Kalima
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AL KALIMA (the Company)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees, of the Company (who are also the directors of the company 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 for this year 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 material matters have come to my attention which give me cause to believe that:

1. accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
2. the accounts do not accord with such records; or
3. the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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 Charities SORP (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.

Signed:



22 August 2024
Ginny Santer FCCA
Monetaire Accountants Limited
Sovereign House
22 Shelley Road
Worthing
West Sussex
BN11 1TU

Al Kalima
(A Company Limited by Guarantee)

Statement of Financial Activities
for the year ended 31 December 2023

| | Notes | Unrestricted \$ | Restricted \$ | 2023 Total funds \$ | 2022 Total funds \$ |
|------------------------------------|-------|--------------------|------------------|------------------------------|------------------------------|
| Income and endowments from | | | | | |
| Donations and legacies | 2 | 7,647 | 62,825 | 70,472 | 159,096 |
| Charitable activities | 3 | 957 | - | 957 | 401 |
| Total Incoming Resources | | 8,604 | 62,825 | 71,429 | 159,497 |
| Expenditure on | | | | | |
| Charitable activities | 4 | 14,811 | 79,249 | 94,060 | 138,022 |
| Total expenditure | | 14,811 | 79,249 | 94,060 | 138,022 |
| Net income/(expenditure) | | (6,207) | (16,424) | (22,631) | 21,475 |
| Transfers between funds | 10 | 48 | (48) | - | - |
| Net movement in funds | | (6,158) | (16,473) | (22,631) | 21,475 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 10,709 | 43,324 | 54,033 | 32,558 |
| Net movement in funds | | (6,158) | (16,473) | (22,631) | 21,475 |
| Total funds carried forward | | 4,551 | 26,851 | 31,402 | 54,033 |

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 14 form part of these accounts.

Al Kalima
(A Company Limited by Guarantee)

Balance Sheet as at 31 December 2023

| | Note | 2023 | 2022 |
|------------------------------------------------|------|----------------------|----------------------|
| | | \$ | \$ |
| Fixed assets | | <u>-</u> | <u>-</u> |
| Current assets | | | |
| Cash at bank and in hand | 9 | 31,233 | 54,152 |
| Accrued income | | 3,830 | |
| Prepayments | | 1,035 | |
| Creditors: amounts falling due within one year | 8 | (4,696) | (119) |
| Net current assets | | 31,402 | 54,033 |
| | | | |
| Total assets less current liabilities | | <u>31,402</u> | <u>54,033</u> |
| | | | |
| Net assets excluding pension asset | | <u>31,402</u> | <u>54,033</u> |
| | | | |
| Total net assets | | <u><u>31,402</u></u> | <u><u>54,033</u></u> |
| | | | |
| Charity funds | | | |
| Unrestricted funds | 10 | 4,896 | 10,709 |
| Restricted funds | 10 | 26,506 | 43,324 |
| | | | |
| Total funds | | <u><u>31,402</u></u> | <u><u>54,033</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The financial statements were approved for issue by the Trustees on:

and signed on their behalf by

.....

The notes on pages 9 to 14 form part of these accounts.

Al Kalima
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Al Kalima meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.4 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.5 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.6 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Al Kalima
(A Company Limited by Guarantee)

1.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

| | Unrestricted funds | Restricted funds | Total funds |
|-----------|---------------------------|-------------------------|--------------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Donations | 7,647 | 62,825 | 70,472 |
| | <i>Unrestricted funds</i> | <i>Restricted funds</i> | <i>Total funds</i> |
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | \$ | \$ | \$ |
| Donations | 34,497 | 124,599 | 159,096 |

3. Income from charitable activities

| | Unrestricted funds | Restricted funds | Total funds |
|---------------------------------------------------------------|---------------------------|-------------------------|--------------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Income from charitable activities - Direct costs - Activities | 957 | - | 957 |
| | <i>Unrestricted funds</i> | <i>Restricted funds</i> | <i>Total funds</i> |
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | \$ | \$ | \$ |
| Income from charitable activities - Direct costs - Activities | 401 | - | 401 |

4. Analysis of expenditure on charitable activities

| | Unrestricted funds | Restricted funds | Total funds |
|---------------------------|---------------------------|-------------------------|--------------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Direct costs - Activities | 14,811 | 79,249 | 94,060 |
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | \$ | \$ | \$ |
| Direct costs - Activities | 16,374 | 121,648 | 138,022 |

Al Kalima
(A Company Limited by Guarantee)

5. Analysis of expenditure by activities

| | Activities undertaken directly | Support costs | Total funds |
|---------------------------|-----------------------------------------------|--------------------------|------------------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Direct costs - Activities | 77,324 | 16,735 | 94,060 |

| | <i>Activities undertaken directly</i> | <i>Support costs</i> | <i>Total funds</i> |
|---------------------------|-------------------------------------------|--------------------------|------------------------|
| | <i>2022</i> | <i>2022</i> | <i>2022</i> |
| | \$ | \$ | \$ |
| Direct costs - Activities | 124,049 | 13,973 | 138,022 |

6. Independent examiner's remuneration

| | 2023 | <i>2022</i> |
|---------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| | \$ | \$ |
| Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts | 796 | - |

7. Trustees' remuneration and expenses

During the year ended 31 December 2023 no trustees received any remuneration or benefits (*2022 - £NIL*).

During the year ended 31 December 2023 no trustee expenses have been incurred (*2022 - £NIL*).

8. Creditors: Amounts falling due within one year

| | 2023 | <i>2022</i> |
|------------------------------|--------------|-------------|
| | \$ | \$ |
| Accruals and deferred income | 4,696 | 119 |

9. Cash at bank and in hand

| | 2023 | <i>2022</i> |
|------------------------------------------------------------------------|---------------|-------------|
| | \$ | \$ |
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 31,233 | 54,152 |

Al Kalima
(A Company Limited by Guarantee)

10. Statement of funds

Statement of funds – current year

| | Balance as at 1 January 2023 | Income | Expenditure | Transfers in/out | Balance as at 31 December 2023 |
|---------------------------|-------------------------------------------------|---------------|--------------------|-----------------------------|---------------------------------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Unrestricted funds | | | | | |
| General funds | 10,709 | 8,604 | (13,989) | 48 | 5,372 |
| Restricted funds | | | | | |
| Chanting | - | 8,000 | (8,000) | - | - |
| Distribution | 39,646 | 21,872 | (45,463) | - | 16,055 |
| Tanara-Jazara | 3,678 | 32,953 | (26,131) | (48) | 10,452 |
| Total restricted | 43,324 | 62,825 | (79,594) | (48) | 26,603 |
| Total of funds | 54,033 | 71,429 | (93,583) | - | 31,975 |

Statement of funds – prior year

| | <i>Balance as at 1 January 2022</i> | <i>Income</i> | <i>Expenditure</i> | <i>Transfers in/out</i> | <i>Balance as at 31 December 2022</i> |
|------------------------------|-------------------------------------------------|----------------|--------------------|-----------------------------|---------------------------------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Unrestricted funds | | | | | |
| General funds – all funds | (7,391) | 34,898 | (16,374) | (424) | 10,709 |
| Restricted funds | | | | | |
| Restricted funds – all funds | 39,949 | 124,599 | (121,648) | 424 | 43,324 |
| Total of funds | 32,558 | 159,497 | (138,022) | - | 54,033 |

Al Kalima
(A Company Limited by Guarantee)

11. Description of funds

Chanting: Funds received to adapt Scripture passages into rhyming prose and make audio recordings of the same.

Distribution: Funds received to print and transport Scripture books for free distribution in certain Arab countries.

Tanara-Jazara: Funds received to translate Scripture into Tunisian and Algerian Arabic and to produce audio-visual materials from the translated portions.

12. Analysis of net assets between funds

Analysis of net assets between funds- current year

| | Unrestricted funds | Restricted funds | Total funds |
|-------------------------------|-----------------------|---------------------|---------------|
| | 2023 | 2023 | 2023 |
| | \$ | \$ | \$ |
| Current assets | 4,896 | 30,406 | 35,302 |
| Creditors due within one year | - | 3,900 | 3,900 |
| | - | 3,900 | 3,900 |
| Total of funds | 4,896 | 26,506 | 31,402 |

Analysis of net assets between funds- prior year

| | Unrestricted funds | Restricted funds | Total funds |
|-------------------------------|-----------------------|---------------------|---------------|
| | 2022 | 2022 | 2022 |
| | \$ | \$ | \$ |
| Current assets | 10,709 | 43,443 | 54,152 |
| Creditors due within one year | - | 119 | 119 |
| | - | 119 | 119 |
| Total | 10,709 | 43,324 | 54,033 |

Al Kalima
(A Company Limited by Guarantee)

13. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 | 2022 |
|--------------------------------------------------------------------------------|------------------------|----------------------|
| | \$ | \$ |
| Net income/expenditure for the year (as per Statement of Financial Activities) | <u>(22,631)</u> | <u>21,475</u> |
| Adjustments for: | | |
| Net cash provided by/(used in) operating activities | <u><u>(22,631)</u></u> | <u><u>21,475</u></u> |

14. Analysis of cash and cash equivalents

| | 2023 | 2022 |
|----------------------------------------|----------------------|----------------------|
| | \$ | \$ |
| Cash in hand | <u>31,233</u> | <u>54,152</u> |
| Total cash and cash equivalents | <u><u>31,233</u></u> | <u><u>54,152</u></u> |

15. Analysis of changes in net debt

| | At 1 January 2023 | Cash inflows | At 31 December 2023 |
|--------------------------|----------------------------------|------------------------|------------------------------------|
| | \$ | \$ | \$ |
| Cash at bank and in hand | <u>54,152</u> | <u>(22,919)</u> | <u>31,223</u> |
| Total of funds | <u><u>54,152</u></u> | <u><u>(22,919)</u></u> | <u><u>31,223</u></u> |

Al Kalima
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 | 2023 | 2022 | 2022 |
|--------------------------------------------------------------------------|--------------|------------------------|--------------|-----------------------|
| | \$ | \$ | \$ | \$ |
| Income | | | | |
| Donations | 70,472 | | 159,096 | |
| Sales | <u>957</u> | | <u>401</u> | |
| | | 71,429 | | 159,497 |
| Gross income in the reporting period | | <u>71,429</u> | | <u>159,497</u> |
| Less: | | | | |
| Charitable Activities | | | | |
| Translation | 16,836 | | 20,822 | |
| Recording | 8,535 | | 1,079 | |
| Digital media | 2,783 | | 704 | |
| Book production | 46,357 | | 97,361 | |
| Carriage | <u>2,815</u> | | <u>4,083</u> | |
| | | 77,324 | | 124,049 |
| Support costs | | | | |
| Travel | 3,377 | | 5,715 | |
| Computer equipment | 2,033 | | - | |
| Accountancy | 796 | | - | |
| Consultancy | 5,031 | | 3,600 | |
| Sundries | 139 | | 16 | |
| Advertising | 4,304 | | 327 | |
| Web hosting | <u>278</u> | | <u>731</u> | |
| | | 15,957 | | 10,389 |
| Finance | | | | |
| Bank charges | 302 | | 166 | |
| Forex gains/losses | <u>477</u> | | <u>3,418</u> | |
| | | <u>778</u> | | <u>3,584</u> |
| Total expenditure | | <u>94,060</u> | | <u>138,022</u> |
| Net income/(expenditure) before taxation for the reporting period | | <u>(22,631)</u> | | <u>21,475</u> |
| Net income/(expenditure) for the reporting period | | (22,631) | | 21,475 |

Al Kalima
(A Company Limited by Guarantee)

| | | |
|--------------------------------------------|----------------------|----------------------|
| Surplus/(deficit) for the reporting period | (22,631) | <i>21,475</i> |
| Surplus brought forward | 54,033 | <i>32,558</i> |
| | <hr/> | <hr/> |
| Surplus carried forward | <u><u>31,402</u></u> | <u><u>54,033</u></u> |

AL KALIMA

England & Wales - Charity number 1079965

Accounts

AL KALIMA

(A company limited by guarantee)

UNAUDITED REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

CHARITY NUMBER: 1079965

COMPANY NUMBER: 03693242

LEGAL AND ADMINISTRATIVE INFORMATION

31 DECEMBER 2022

TRUSTEES AND DIRECTORS:

E J Greening
J B Evans
M Tinawi

SECRETARY:

E J Greening

REGISTERED OFFICE:

7 Westbourne Gardens
Trowbridge
BA14 9AW

REGISTERED COMPANY NUMBER:

03693242 (England and Wales)

REGISTERED CHARITY NUMBER

1079965

INDEPENDENT EXAMINER:

Michael Marshall
2 Meldon Gardens
Choppington
Northumberland
NE62 5EW

BANKERS:

Lloyds plc
64 Fore Street
Trowbridge
BA14 8EU

REPORT OF THE TRUSTEES

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 December 2022. Legal and administrative information set out on page one forms part of this report. 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).

Objectives and activities for the public benefit

Al Kalima seeks to advance a clear understanding of Christian belief among Muslims by the publishing and distribution of culturally relevant Christian literature and digital media.

The charity's strategic objectives are:

- To make available a translation of Scripture in Arabic understandable to Muslims and faithful to the original text
- To publish Christian books which will help Muslims understand Christian beliefs
- To place our titles in the commercial mainstream of Arabic publishing and distribution
- To use other forms of media to disseminate more widely the message of our books
- To partner with other like-minded organisations to achieve our objectives

Review of activities

The most encouraging aspect of Al Kalima's ministry continues to be the distribution of Scriptures in the Middle East. There is a great opportunity at the moment, but one not without risk. The boldness of some believers has led to some opposition, but we are encouraged by the cooperation between the local Bible Society and these believers from a Muslim background.

Al Kalima would like to be able to support the new believers, but sometimes a church will be more truly indigenous if it has little outside influence. God is more than able to complete his work.

In other places, we are encouraged by the impact that our books are having in prisons. In a N. African country distribution is undertaken by those who would not think of themselves as followers of Christ, but believe in the positive impact of True Meaning. We pray that our friends distributing, as well as the readers in prisons, would come to meet the Saviour.

Our founder, Mazhar Mallouhi, continues to travel between his home in Australia and the Middle East. His energy is an inspiration to us all. Mazhar's network of contacts, built up over decades will be hard to keep going without him, but we seek to perpetuate his legacy through the work he has inspired.

To keep Al Kalima going we are conscious of the need to find younger trustees. We will also new sources of funding, which are not necessarily linked to Mazhar, and his network of friends in the USA.

During 2022 we released more chanted Scripture, added to the existing audio in YouVersion app. There are plans to record the Gospel of Mark in chanted Scripture, which will be an exciting development.

In print publications, January 2023 saw the publication of Luke in Arabic/English. We are exploring possibilities of printing this in several locations.

Financial review

Al Kalima continues to receive funding from partners for key projects. Over \$90,000 was received for Scripture distribution in Syria and other places. Other projects which are ongoing, chanted Scriptures and Tanara-Jazara were also fully funded.

The charity had a cash position of over \$54,000, although a significant portion of that has been spent in the early part of 2023. Overheads are always kept to a minimum as volunteers working from home carry out the administrative functions of the charity.

Reserves policy

Our reserves policy is such that the charity normally pays its expenses in cash and has no long-term liabilities. We aim to keep a reserve of about \$7,000 US dollars or £5,000 to meet any unforeseen expenses

Statement of trustees' responsibilities

Company 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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:-

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Make judgement and estimates that are reasonable and prudent;
- (c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Accounting and Reporting by Charities Statement of Recommended Practice. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on its behalf by:

E J Greening

ACCOUNTANT'S REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF AI KALIMA

I report on the accounts for the year ended 31 December 2022 set out on pages vii to x.

Respective responsibilities of directors and reporting accountant

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011) and that an independent examination is required. The statements have been prepared in compliance with the Charities Act 2011, the Companies Act 2006, and FRS 102 (2016) as the applicable accounting standards and the 2016 version of Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Michael Marshall

25 August 2023

Statement of Financial Activities
for the year ended 31 December 2022

| | | | | 2022 | 2021 |
|----------------------------------------------------|-------|--------------------|------------------|----------------------|----------------------|
| | Notes | Unrestricted \$ | Restricted \$ | Total funds \$ | Total funds \$ |
| Income from: | | | | | |
| Donations and legacies | 1 | 34,497 | 124,599 | 159,096 | 106,068 |
| Charitable activities (sale of books) | | 401 | - | 401 | 689 |
| Total Incoming Resources | | <u>34,898</u> | <u>124,599</u> | <u>159,497</u> | <u>106,757</u> |
| Expenditure on: | | | | | |
| <i>Charitable activities</i> | 1 | 16,374 | 121,648 | 138,022 | 93,054 |
| Total | | <u>16,374</u> | <u>121,648</u> | <u>138,022</u> | <u>93,054</u> |
| Net (outgoing)/incoming resources before transfers | | 18,524 | 2,951 | 21,475 | 13,703 |
| Transfers between funds | | (424) | 424 | - | - |
| Net income/(expenditure) for the year | | <u>18,100</u> | <u>3,375</u> | <u>21,475</u> | <u>13,703</u> |
| Total funds brought forward | | <u>(7,391)</u> | <u>39,949</u> | <u>32,558</u> | <u>18,855</u> |
| Total funds carried forward | | <u>10,709</u> | <u>43,324</u> | <u>54,033</u> | <u>32,558</u> |

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages vii to x form part of these accounts.

Balance Sheet as at 31 December 2022

| | Notes | 2022 \$ | 2021 \$ |
|-------------------------------------------------------|-------|---------------|----------------|
| Current assets | 3 | | |
| Cash at bank and in hand | | 54,152 | 36,638 |
| Creditors: Amounts falling due within one year | | | |
| Accrued expenses | | <u>(119)</u> | <u>(4,080)</u> |
| Net current assets | | 54,033 | 32,558 |
| Funds | | | |
| Unrestricted funds | | 10,709 | (7,391) |
| Restricted funds | | <u>43,324</u> | <u>39,949</u> |
| Total charity funds | | <u>54,033</u> | <u>32,558</u> |

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 5 September 2023 and signed on their behalf by:

Approved on behalf of the trustees:

J B Evans

.....

The notes on pages x and xi form part of these accounts.

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

- 1. Accounting policies** The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:
- (a) **Basis of Accounting**
The financial statements have been prepared under the historic cost convention and 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 Companies Act 2006. Additional disclosures have been provided at the discretion of the directors.
The company is a public benefit entity within the meaning of FRS 102.
- (b) **Going concern**
The company is dependent upon voluntary donations and upon volunteer time. The balance sheet remains strong with net assets of over \$54,000. The directors consider that the company is a going concern.
- (c) **Voluntary income** is received by way of donations and is included in the Statement of Financial Activities when received.
- (d) **Resources expended** are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- i. Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- ii. Charitable expenditure comprises those costs incurred directly by the charity in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.
- iii. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.
- iv. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.
- (e) **Unrestricted funds** are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and available as general funds.
- (f) The charity's restricted funds are those where the donor has imposed restrictions on the use of funds.
- (g) The company is registered as a charity and therefore its activities are exempt from Corporation Tax. Accordingly no provision for taxation is made in these financial statements.
- (h) The company is limited by guarantee and does not have any share capital.
- (i) Transactions in currencies other than the US dollar are recorded at the rate of exchange ruling at the balance sheet date or at the date of transaction where this is known.

2. Trustees' remuneration and benefits

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

3. Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | 2022 Total funds | 2021 Total funds |
|-----------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Current assets | <u>10,709</u> | <u>43,324</u> | <u>54,033</u> | <u>32,558</u> |

4. Statement of funds

STATEMENT OF FUNDS

| Current year | At 1 January 2022 \$ | Incoming resources \$ | Resources expended \$ | Transfers in/out \$ | At 31 December 2022 \$ |
|---------------------------------|-------------------------------|-----------------------------|-----------------------------|------------------------|---------------------------------|
| Unrestricted funds | | | | | |
| General reserve | (7,391) | 34,898 | 16,374 | (424) | 10,709 |
| Total unrestricted funds | (7,391) | 34,898 | 16,374 | (424) | 10,709 |
| Restricted funds: | | | | | |
| Tanara-Jazara | 1,864 | 23,400 | 21,281 | (305) | 3,678 |
| Chanting | (1,223) | 1,500 | 1,006 | 729 | - |
| Distribution | 29,512 | 94,699 | 84,565 | - | 39,646 |
| Imams | 9,796 | - | 9,796 | - | - |
| Good Friday book | - | 5,000 | 5,000 | - | - |
| Total restricted funds | 39,949 | 124,599 | 121,648 | 424 | 43,324 |
| Total funds | 32,558 | 159,497 | 138,022 | - | 54,033 |
| Prior year | | | | | |
| | At 1 January 2021 \$ | Incoming resources \$ | Resources expended \$ | Transfers in/out \$ | At 31 December 2021 \$ |
| Unrestricted funds | 12,282 | 17,538 | 40,902 | 3,691 | (7,391) |
| Total restricted funds | 6,573 | 89,219 | 52,152 | (3691) | 39,949 |
| Total funds | 18,855 | 106,757 | 93,054 | - | 32,558 |

Tanara-Jazara: Funds received to translate Scripture into Tunisian and Algerian Arabic and to produce audio-visual materials from the translated portions.

Chanting: Funds received to adapt Scripture passages into rhyming prose and make audio recordings of the same.

Distribution: Funds received to print and transport Scripture books for free distribution in certain Arab countries.

Imams: Funds received to print and distribute Scripture books to imams and other religious leaders.

Good Friday book: Funds received to print a book of this name.

Detailed Statement of Financial Activities
For the year ended 31 December 2022

| | 2022 | 2021 |
|---------------------------------|----------------|---------------|
| | \$ | \$ |
| INCOMING RESOURCES | | |
| Voluntary income | | |
| Donations | 159,096 | 106,068 |
| Charitable activities | <u>401</u> | <u>689</u> |
| Total incoming resources | 159,497 | 106,757 |
| RESOURCES EXPENDED | | |
| Charitable Activities | | |
| Translation | 20,822 | 13,234 |
| Recording | 1,079 | 5,537 |
| Digital media | 704 | - |
| Book production | 97,361 | 31,280 |
| Carriage | <u>4,083</u> | <u>3,421</u> |
| | 124,049 | 53,472 |
| Support costs | | |
| Travel | 5,715 | 8,636 |
| Accountancy | - | 2,679 |
| Consultancy | 3,600 | 12,890 |
| Advertising | 327 | 547 |
| Web hosting | 730 | - |
| Write-off | - | 11,753 |
| Bank charges | 166 | 585 |
| Forex gains/losses | 3,418 | 2,382 |
| Sundries | <u>16</u> | <u>110</u> |
| | 13,973 | 39,582 |
| Total resources expended | <u>138,022</u> | <u>93,054</u> |
| Net income/(expenditure) | <u>21,475</u> | <u>13,703</u> |

AL KALIMA

England & Wales - Charity number 1079965

Accounts

AL KALIMA
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

AL KALIMA
(A Company Limited by Guarantee)

CONTENTS

| | Page |
|---------------------------------------------------------------------------------------|--------|
| Reference and Administrative Details of the Company, its Trustees and Advisers | 1 |
| Trustees' Report | 2 - 3 |
| Independent Examiner's Report | 4 |
| Statement of Financial Activities | 5 |
| Balance Sheet | 6 |
| Notes to the Financial Statements | 7 - 15 |

AL KALIMA
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Trustees | Dr J B Evans E J Greening M A Hall (resigned 6 June 2022) Dr S Hanna (resigned 9 April 2021) M Tinawi |
| Company registered number | 03693242 |
| Charity registered number | 1079965 |
| Registered office | 7 Westbourne Gardens Trowbridge Wiltshire BA14 9AW |
| Company secretary | E J Greening |
| Chief executive officer | E J Greening |
| Accountants | The Alanbrookes Group Ltd 24 Glove Factory Studios Holt Wiltshire BA14 6RL |

AL KALIMA
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Al Kalima seeks to advance a clear understanding of Christian belief among Muslims by the publishing and distribution of culturally relevant Christian literature and digital media.

The charity's strategic objectives are:

- To make available a translation of Scripture in Arabic understandable to Muslims and faithful to the original text
- To publish Christian books which will help Muslims understand Christian beliefs
- To place our titles in the commercial mainstream of Arabic publishing and distribution
- To use other forms of media to disseminate more widely the message of our books
- To partner with other like-minded organisations to achieve our objectives

Review of activities

The project to produce video and audio clips in two N.African dialects has been progressing well, with many favourable comments from Facebook users. Chanted Scripture excerpts from the True Meaning translation have also been added to these platforms. Young people are more engaged with this kind of media, which we hope will spark interest in reading Scripture through the True Meaning Bible app or printed copies, where they are available.

Al Kalima initiated a new project in 2021, the Imams Project, whereby books would be given to influential imams. The aim has been to undertake this where we have local partners able to give the books, either in person or by post. Our friends in Syria have been most active, but smaller efforts have been made in Tunisia and the USA.

In early 2022 we received a request from Syria for an additional 2,000 copies of True Meaning, such was the demand and their capacity to distribute through local channels. This indigenous work, led by Syrian Muslims, encapsulates all that Al Kalima has worked for. Some of these friends might describe themselves as followers of Christ, others as seekers after truth. We know that God's word cannot leave people unaffected. Those whose hearts are open will be drawn to the person of Christ as they read and understand.

One of the Al Kalima editorial committee was able to give a lecture at his N.African university on True Meaning, attended by academics and students. The lecture was very well received, with most of the 80 or so in the audience staying for the Q & A at the end.

Progress on our English version of John's Gospel has stalled, with no firm date for publication set. Some background articles still need to be finalised. Publication of an Arabic/English Luke is also in the pipeline.

Our founding board member, Martin Hall, has stepped down after 22 years of service. He has expressed a desire to be available as a consultant, and the board is sure that he will be called on in the future. The charity is actively seeking to strengthen the board.

Financial review

Principal funding sources

God has been gracious to us once more, and we have been able to meet all our financial obligations. The charity is grateful to a number of very generous people who have supported us over the last year. In addition we have been supported by the Seed Company for our N.African Arabic project.

AL KALIMA
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves policy

Our reserves policy is such that the charity normally pays its expenses in cash and has no long-term liabilities. We aim to keep a reserve of about \$7,800 US dollars or £5,000 to meet any unforeseen expenses.

Financial position

The vast majority of the charity's funds are given for the various projects which are going on at any time. The temporary deficit in the general fund has been caused by the decision to write off the \$11,000 out standing in our Beirut bank balance. Whilst the bank maintains this balance on its books, it is unclear when these funds would be available to us.

Approved by order of the members of the board of Trustees on 13 September 2022 and signed on their behalf by:



E J Greening

AL KALIMA
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Examiner's Report to the Trustees of Al Kalima ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and Basis of Report

As the Trustees of the Company (and 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 the Company's accounts 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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:



Dated: 14 September 2022

The Alanbrookes Group Ltd

ICAEW

24 Glove Factory Studios, Holt, Wiltshire. BA14 6RL.

AL KALIMA
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | Restricted funds 2021 \$ | Unrestricted funds 2021 \$ | Total funds 2021 \$ | Total funds 2020 \$ |
|------------------------------------|------|-----------------------------------|-------------------------------------|------------------------------|------------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 89,219 | 16,849 | 106,068 | 47,598 |
| Charitable activities | 4 | - | 689 | 689 | 1,818 |
| Total income | | <u>89,219</u> | <u>17,538</u> | <u>106,757</u> | <u>49,416</u> |
| Expenditure on: | | | | | |
| Charitable activities | 5 | 52,152 | 40,902 | 93,054 | 78,894 |
| Total expenditure | | <u>52,152</u> | <u>40,902</u> | <u>93,054</u> | <u>78,894</u> |
| Net income/(expenditure) | | <u>37,067</u> | <u>(23,364)</u> | <u>13,703</u> | <u>(29,478)</u> |
| Transfers between funds | 11 | (3,691) | 3,691 | - | - |
| Net movement in funds | | <u>33,376</u> | <u>(19,673)</u> | <u>13,703</u> | <u>(29,478)</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 6,573 | 12,282 | 18,855 | 48,333 |
| Net movement in funds | | 33,376 | (19,673) | 13,703 | (29,478) |
| Total funds carried forward | | <u>39,949</u> | <u>(7,391)</u> | <u>32,558</u> | <u>18,855</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 7 to 15 form part of these financial statements.

AL KALIMA
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03693242

BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | 2021 \$ | 2020 \$ |
|------------------------------------------------|------|------------|------------|
| Fixed assets | | - | - |
| Current assets | | | |
| Cash at bank and in hand | | 36,638 | 25,929 |
| | | 36,638 | 25,929 |
| Creditors: amounts falling due within one year | 9 | (4,080) | (7,074) |
| Net current assets | | 32,558 | 18,855 |
| Total assets less current liabilities | | 32,558 | 18,855 |
| Net assets excluding pension asset | | 32,558 | 18,855 |
| Total net assets | | 32,558 | 18,855 |
| Charity funds | | | |
| Restricted funds | 11 | 39,949 | 6,573 |
| Unrestricted funds | 11 | (7,391) | 12,282 |
| Total funds | | 32,558 | 18,855 |

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 13 September 2022 and signed on their behalf by:



E J Greening

The notes on pages 7 to 15 form part of these financial statements.

AL KALIMA
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Al Kalima is a registered charity in England and Wales. Charity number 1079965. Their registered office is 7 Westbourne Gardens, Trowbridge, Wiltshire, BA14 9AW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Al Kalima meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.3 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 allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

AL KALIMA
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.5 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.6 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

| | Restricted funds 2021 \$ | Unrestricted funds 2021 \$ | Total funds 2021 \$ |
|-----------|---------------------------------------------|-----------------------------------------------|----------------------------------------|
| Donations | 89,219 | 16,849 | 106,068 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | <i>Restricted funds 2020 \$</i> | <i>Unrestricted funds 2020 \$</i> | <i>Total funds 2020 \$</i> |
| Donations | 33,219 | 14,379 | 47,598 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

AL KALIMA
(A Company Limited by Guarantee)

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

4. Income from charitable activities

| | Unrestricted funds 2021 \$ | Total funds 2021 \$ |
|---------------------------------------------------------------|-----------------------------------------------|----------------------------------------|
| Income from charitable activities - Direct costs - Activities | 689 | 689 |

| | <i>Unrestricted funds 2020 \$</i> | <i>Total funds 2020 \$</i> |
|---------------------------------------------------------------|-----------------------------------------------|----------------------------------------|
| Income from charitable activities - Direct costs - Activities | 1,818 | 1,818 |

5. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2021 \$ | Unrestricted funds 2021 \$ | Total funds 2021 \$ |
|---------------------------|---------------------------------------------|-----------------------------------------------|----------------------------------------|
| Direct costs - Activities | 52,152 | 40,902 | 93,054 |

| | <i>Restricted funds 2020 \$</i> | <i>Unrestricted funds 2020 \$</i> | <i>Total funds 2020 \$</i> |
|---------------------------|---------------------------------------------|-----------------------------------------------|----------------------------------------|
| Direct costs - Activities | 67,252 | 11,642 | 78,894 |

AL KALIMA
(A Company Limited by Guarantee)

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

6. Analysis of expenditure by activities

| | Activities undertaken directly 2021 \$ | Support costs 2021 \$ | Total funds 2021 \$ |
|---------------------------|---------------------------------------------------------------|------------------------------------------|----------------------------------------|
| Direct costs - Activities | 66,361 | 26,693 | 93,054 |
| | 66,361 | 26,693 | 93,054 |
| | <i>Activities undertaken directly 2020 \$</i> | <i>Support costs 2020 \$</i> | <i>Total funds 2020 \$</i> |
| Direct costs - Activities | 74,097 | 4,797 | 78,894 |
| | 74,097 | 4,797 | 78,894 |
| | 74,097 | 4,797 | 78,894 |

7. Independent examiner's remuneration

| | 2021 \$ | 2020 \$ |
|---------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts | 2,679 | 3,401 |
| | 2,679 | 3,401 |
| | 2,679 | 3,401 |

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - \$NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - \$NIL).

9. Creditors: Amounts falling due within one year

| | 2021 \$ | 2020 \$ |
|------------------------------|--------------------|--------------------|
| Accruals and deferred income | 4,080 | 7,074 |
| | 4,080 | 7,074 |
| | 4,080 | 7,074 |

AL KALIMA
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Financial instruments

| | 2021 | <i>2020</i> |
|------------------------------------------------------------------------|---------------|---------------|
| | \$ | \$ |
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 36,638 | <i>25,929</i> |

Financial assets measured at fair value through income and expenditure comprise bank balances in various currencies, translated into US Dollars at the year end exchange rate.

AL KALIMA
(A Company Limited by Guarantee)

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

11. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2021 \$ | Income \$ | Expenditure \$ | Transfers in/out \$ | Balance at 31 December 2021 \$ |
|---------------------------|---------------------------------------|-----------------------|------------------------|---------------------------|--------------------------------------------|
| Unrestricted funds | | | | | |
| General Funds - all funds | 12,282 | 17,538 | (40,902) | 3,691 | (7,391) |
| Restricted funds | | | | | |
| Tan-Jaz | 826 | 20,809 | (17,037) | (2,734) | 1,864 |
| Chanting | - | 3,514 | (4,737) | - | (1,223) |
| Noorul Abaa | 747 | - | - | (747) | - |
| Mallouhi | 5,000 | - | (4,790) | (210) | - |
| Distribution | - | 55,100 | (25,588) | - | 29,512 |
| Imams | - | 9,796 | - | - | 9,796 |
| | <u>6,573</u> | <u>89,219</u> | <u>(52,152)</u> | <u>(3,691)</u> | <u>39,949</u> |
| Total of funds | <u><u>18,855</u></u> | <u><u>106,757</u></u> | <u><u>(93,054)</u></u> | <u><u>-</u></u> | <u><u>32,558</u></u> |

AL KALIMA
(A Company Limited by Guarantee)

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

11. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2020 \$</i> | <i>Income \$</i> | <i>Expenditure \$</i> | <i>Transfers in/out \$</i> | <i>Balance at 31 December 2020 \$</i> |
|------------------------------|-------------------------------------------------|----------------------|---------------------------|------------------------------------|-------------------------------------------------------|
| General Funds - all funds | 8,864 | 16,198 | (11,642) | (1,138) | 12,282 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | <i>Balance at 1 January 2020 \$</i> | <i>Income \$</i> | <i>Expenditure \$</i> | <i>Transfers in/out \$</i> | <i>Balance at 31 December 2020 \$</i> |
| Restricted funds | | | | | |
| Restricted Funds - all funds | 39,469 | 33,217 | (67,251) | 1,138 | 6,573 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total of funds | <u>48,333</u> | <u>49,415</u> | <u>(78,893)</u> | <u>-</u> | <u>18,855</u> |

12. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2021 \$ | Income \$ | Expenditure \$ | Transfers in/out \$ | Balance at 31 December 2021 \$ |
|------------------|-------------------------------------------------|----------------------|---------------------------|------------------------------------|-------------------------------------------------------|
| General funds | 12,282 | 17,538 | (40,902) | 3,691 | (7,391) |
| Restricted funds | 6,573 | 89,219 | (52,152) | (3,691) | 39,949 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | <u>18,855</u> | <u>106,757</u> | <u>(93,054)</u> | <u>-</u> | <u>32,558</u> |

AL KALIMA
(A Company Limited by Guarantee)

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

12. Summary of funds (continued)

Summary of funds - prior year

| | <i>Balance at 1 January 2020 \$</i> | <i>Income \$</i> | <i>Expenditure \$</i> | <i>Transfers in/out \$</i> | <i>Balance at 31 December 2020 \$</i> |
|------------------|-------------------------------------------------|----------------------|---------------------------|------------------------------------|-------------------------------------------------------|
| General funds | 8,864 | 16,198 | (11,642) | (1,138) | 12,282 |
| Restricted funds | 39,469 | 33,217 | (67,251) | 1,138 | 6,573 |
| | <u>48,333</u> | <u>49,415</u> | <u>(78,893)</u> | <u>-</u> | <u>18,855</u> |

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Restricted funds 2021 \$ | Unrestricted funds 2021 \$ | Total funds 2021 \$ |
|-------------------------------|---------------------------------------------|-----------------------------------------------|----------------------------------------|
| Current assets | 41,349 | (4,711) | 36,638 |
| Creditors due within one year | (1,400) | (2,680) | (4,080) |
| Total | <u>39,949</u> | <u>(7,391)</u> | <u>32,558</u> |

Analysis of net assets between funds - prior year

| | <i>Restricted funds 2020 \$</i> | <i>Unrestricted funds 2020 \$</i> | <i>Total funds 2020 \$</i> |
|-------------------------------|---------------------------------------------|-----------------------------------------------|----------------------------------------|
| Current assets | 10,573 | 15,356 | 25,929 |
| Creditors due within one year | (4,000) | (3,074) | (7,074) |
| Total | <u>6,573</u> | <u>12,282</u> | <u>18,855</u> |

AL KALIMA
(A Company Limited by Guarantee)

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

14. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 \$ | 2020 \$ |
|--------------------------------------------------------------------------------|---------------|-----------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 13,703 | (29,478) |
| Adjustments for: | | |
| Net cash provided by/(used in) operating activities | 13,703 | (29,478) |

15. Analysis of cash and cash equivalents

| | 2021 \$ | 2020 \$ |
|----------------------------------------|---------------|---------------|
| Cash in hand | 36,638 | 25,929 |
| Total cash and cash equivalents | 36,638 | 25,929 |

16. Analysis of changes in net debt

| | At 1 January 2021 \$ | Cash flows \$ | At 31 December 2021 \$ |
|--------------------------|-------------------------------|------------------|---------------------------------|
| Cash at bank and in hand | 25,929 | 10,709 | 36,638 |
| | 25,929 | 10,709 | 36,638 |

AL KALIMA
(A Company Limited by Guarantee)

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | 2021 | 2021 | 2020 | 2020 |
|--------------------------------------------------------------------------|---------|----------------------------|--------|-----------------------------|
| | \$ | \$ | \$ | \$ |
| Income | | | | |
| Donations received | 106,068 | | 47,598 | |
| Sales | 689 | | 1,818 | |
| | <hr/> | 106,757 | <hr/> | 49,416 |
| Gross income in the reporting period | | <hr/> 106,757 <hr/> | | <hr/> 49,416 <hr/> |
| Less: | | | | |
| Charitable activities | | | | |
| Translation | 13,234 | | 22,824 | |
| Recording | 5,537 | | 9,660 | |
| Book Production | 31,280 | | 16,000 | |
| Travel/Freight | 3,421 | | 1,363 | |
| | <hr/> | 53,472 | <hr/> | 49,847 |
| Support costs | | | | |
| Travel | 8,636 | | - | |
| Accountancy | 2,679 | | 3,401 | |
| Professional Fees | 12,890 | | 24,250 | |
| Sundries | 110 | | 18 | |
| Advertising | 547 | | 134 | |
| Write off | 11,753 | | - | |
| | <hr/> | 36,615 | <hr/> | 27,803 |
| Finance | | | | |
| Bank changes | 585 | | 1,002 | |
| Foreign exchange gains and loses | 2,382 | | 242 | |
| | <hr/> | 2,967 | <hr/> | 1,244 |
| Total expenditure | | <hr/> 93,054 <hr/> | | <hr/> 78,894 <hr/> |
| Net income/(expenditure) before taxation for the reporting period | | <hr/> 13,703 <hr/> | | <hr/> (29,478) <hr/> |
| Net income/(expenditure) for the reporting period | | <hr/> 13,703 <hr/> | | <hr/> (29,478) <hr/> |
| Surplus/(Deficit) for the reporting period | | <hr/> 13,703 <hr/> | | <hr/> (29,478) <hr/> |
| Surplus brought forward at 1 January 2021 | | <hr/> 18,855 <hr/> | | <hr/> 48,333 <hr/> |
| Surplus carried forward at 31 December 2021 | | <hr/> 32,558 <hr/> | | <hr/> 18,855 <hr/> |



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Audit history log

| Date | Action |
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| Mon, 26th Sep 2022 13:00:27 BST | Andrew Fisher viewed the envelope. (109.73.121.1) |
| Mon, 26th Sep 2022 13:00:25 BST | Document emailed to party email (18.132.193.210) |
| Mon, 26th Sep 2022 13:00:24 BST | The envelope has been signed by all parties. (109.73.121.1) |
| Mon, 26th Sep 2022 13:00:24 BST | Sent a copy of the envelope to Lauren Hockley . (109.73.121.1) |
| Mon, 26th Sep 2022 13:00:24 BST | Andrew Fisher signed the envelope. (109.73.121.1) |
| Mon, 26th Sep 2022 12:59:55 BST | Andrew Fisher viewed the envelope. (109.73.121.1) |
| Mon, 26th Sep 2022 12:57:33 BST | Sent Andrew Fisher a reminder to sign the document. (35.176.231.177) |
| Wed, 21st Sep 2022 10:57:55 BST | Mr E Greening viewed the envelope. (18.132.124.34) |
| Wed, 21st Sep 2022 10:57:54 BST | Document emailed to party email (3.8.142.37) |
| Wed, 21st Sep 2022 10:57:54 BST | Sent the envelope to Andrew Fisher for signing. (18.132.124.34) |
| Wed, 21st Sep 2022 10:57:54 BST | Mr E Greening signed the envelope. (18.132.124.34) |
| Wed, 21st Sep 2022 10:57:20 BST | Mr E Greening viewed the envelope. (35.179.60.205) |
| Wed, 21st Sep 2022 9:50:52 BST | Document emailed to party email (18.168.226.146) |
| Wed, 21st Sep 2022 9:50:44 BST | Sent the envelope to Mr E Greening for signing. (18.134.242.89) |
| Wed, 21st Sep 2022 9:50:44 BST | Envelope has been set to automatically remind the active signer every 7 day(s). (18.134.242.89) |
| Wed, 21st Sep 2022 9:50:44 BST | Lauren Hockley has been assigned to this envelope. (18.134.242.89) |
| Wed, 21st Sep 2022 9:50:44 BST | Andrew Fisher has been assigned to this envelope. (18.134.242.89) |
| Wed, 21st Sep 2022 9:50:44 BST | Mr E Greening has been assigned to this envelope. (18.134.242.89) |
| Wed, 21st Sep 2022 9:50:44 BST | Envelope generated. (18.134.242.89) |

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(35.176.231.177)

AL KALIMA

England & Wales - Charity number 1079965

Accounts

REGISTERED COMPANY NUMBER: 03693242 (England and Wales)
REGISTERED CHARITY NUMBER: 1079965

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2020
for
Al Kalima

Contents of the Financial Statements
for the Year Ended 31 December 2020

| | Page |
|--------------------------------------------|---------|
| Report of the Trustees | 1 to 4 |
| Independent Examiner's Report | 5 |
| Statement of Financial Activities | 6 |
| Balance Sheet | 7 to 8 |
| Notes to the Financial Statements | 9 to 15 |
| Detailed Statement of Financial Activities | 16 |

Al Kalima

Report of the Trustees for the Year Ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The advancement of education through publishing, inspired by the teaching of Scripture, promoting understanding between Christians and Muslims.

The charity's strategic objectives are:

- To publish books which build bridges between Christians and Muslims.
- These books should build on the common ground that Christians and Muslims have in Scripture.
- To use other forms of media to disseminate more widely the message of our books.
- To partner with other like-minded organisations to achieve our objectives.

OBJECTIVES AND ACTIVITIES

Review of activities

The last year and a half have been very difficult for many of us because of world governments' responses to the perceived threat from a virus. For Al Kalima the greatest disruption has been in the free movement between countries. Not all work can be carried on effectively over remote link.

Syria has many more pressing issues to deal with, and we rejoiced that our friends who have been distributing our books and organizing small group discussions have increased the scope of their activities, with two groups holding regular meetings. The lending library finds that many books do not get returned, so we just print more, believing that God is using them. At the end of 2020 we raised \$40,000 to print more books for Syria.

The deteriorating economic situation in Lebanon causes us some problems, but we are still able to print books. Paying the bills requires more elaborate means for transferring money, the Lebanese banking system in a state of virtual collapse.

More of the Old Testament stories have been recorded and the process of making them into video clips is proceeding slowly. The app for the 99 most beautiful names is being tested for iPhone.

We have a new volunteer, John Said from Toronto, who is helping us with our websites. This will result in more of our resources being available for Muslims seekers and interested partners looking for materials.

Progress on a version of John in English has ground to a halt, but we have not given up yet. Our first diglot book, The Wisdom of Solomon, came out in English and Arabic as print-on-demand, with a Spanish-Arabic version to follow.

We appreciate the service of all our trustees and would like to thank Dr Sameh Hanna for his service.

FINANCIAL REVIEW

Principal funding sources

We thank God for providing for Al Kalima over the course of 2020 and beyond into 2021. There were times when we ran low on funds, but we have still been able to advance our projects thanks to the generosity of our supporters.

Particular thanks go to Columbus Vineyard Church in the USA who once again were very generous. The services of Doug Cox and Grace Global who process our US donations has once again been provided at no charge, a great blessing.

Reserves policy

Our reserves policy is such that the charity normally pays its expenses in cash and has no long-term liabilities. We aim to keep a reserve of about \$7,800 US dollars or £5,000 to meet any unforeseen expenses.

FINANCIAL REVIEW

Financial Position

The charity has decided to save money by switching from using a high street bank for foreign transactions and moving to a specialist currency transfer service, thereby saving several hundred dollars in transfer fees every year.

FUTURE PLANS

The world is in a state of uncertainty, making planning difficult. However, as long as we are able to print books in Lebanon, we know how to get them to people keen to read about Jesus, hope for the nations. We would like to start giving books to imams, starting in Tunisia. This follows on from our Library Project, where books were placed in public, school and prison libraries.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03693242 (England and Wales)

Registered Charity number

1079965

Registered office

7 Westbourne Gardens

Trowbridge

Wiltshire

BA14 9AW

Trustees

Dr JB Evans Retired

E J Greening Charity Administrator

M A Hall Middle East Consultant

Dr S Hanna Lecturer (resigned 9.4.21)

M Tinawi Consultant

Company Secretary

E J Greening

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

.....

Al Kalima

Report of the Trustees
for the Year Ended 31 December 2020

E J Greening - Trustee

Independent Examiner's Report to the Trustees of
Al Kalima

Independent examiner's report to the trustees of Al Kalima ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

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.

David Hassall
MAAT

Date:

Al Kalima

Statement of Financial Activities
for the Year Ended 31 December 2020

| | Notes | Unrestricted fund \$ | Restricted funds \$ | 31.12.20 Total funds \$ | 31.12.19 Total funds \$ |
|------------------------------------|-------|----------------------------|---------------------------|----------------------------------|----------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | | 14,380 | 33,217 | 47,597 | 172,846 |
| Other trading activities | 2 | <u>1,818</u> | <u>-</u> | <u>1,818</u> | <u>2,624</u> |
| Total | | 16,198 | 33,217 | 49,415 | 175,470 |
| EXPENDITURE ON | | | | | |
| Raising funds | | 134 | - | 134 | 253 |
| Charitable activities | | | | | |
| Main Activity | | <u>11,508</u> | <u>67,252</u> | <u>78,760</u> | <u>207,499</u> |
| Total | | <u>11,642</u> | <u>67,252</u> | <u>78,894</u> | <u>207,752</u> |
| NET INCOME/(EXPENDITURE) | | | | | |
| | | 4,556 | (34,035) | (29,479) | (32,282) |
| Transfers between funds | 7 | <u>(1,138)</u> | <u>1,138</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 3,418 | (32,897) | (29,479) | (32,282) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>8,864</u> | <u>39,469</u> | <u>48,333</u> | <u>80,615</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>12,282</u></u> | <u><u>6,572</u></u> | <u><u>18,854</u></u> | <u><u>48,333</u></u> |

The notes form part of these financial statements

Al Kalima

Balance Sheet
31 December 2020

| | Notes | Unrestricted fund \$ | Restricted funds \$ | 31.12.20 Total funds \$ | 31.12.19 Total funds \$ |
|--------------------------------------------------|-------|----------------------------|---------------------------|----------------------------------|----------------------------------|
| CURRENT ASSETS | | | | | |
| Cash at bank | | 15,357 | 10,572 | 25,929 | 221,801 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 5 | (3,075) | (4,000) | (7,075) | (173,468) |
| NET CURRENT ASSETS | | <u>12,282</u> | <u>6,572</u> | <u>18,854</u> | <u>48,333</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>12,282</u> | <u>6,572</u> | <u>18,854</u> | <u>48,333</u> |
| NET ASSETS | | <u>12,282</u> | <u>6,572</u> | <u>18,854</u> | <u>48,333</u> |
| FUNDS | 7 | | | | |
| Unrestricted funds | | | | 12,282 | 8,864 |
| Restricted funds | | | | <u>6,572</u> | <u>39,469</u> |
| TOTAL FUNDS | | | | <u>18,854</u> | <u>48,333</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 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.

The notes form part of these financial statements

Al Kalima

Balance Sheet - continued
31 December 2020

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 and were signed on its behalf by:

.....
E J Greening - Trustee

The notes form part of these financial statements

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.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

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

Fund accounting

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. OTHER TRADING ACTIVITIES

| | 31.12.20 | 31.12.19 |
|------------|--------------|--------------|
| | \$ | \$ |
| Book Sales | <u>1,818</u> | <u>2,624</u> |

3. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund \$ | Restricted funds \$ | Total funds \$ |
|----------------------------------------|----------------------------|---------------------------|----------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 13,309 | 159,537 | 172,846 |
| Other trading activities | <u>2,624</u> | <u>-</u> | <u>2,624</u> |
| Total | 15,933 | 159,537 | 175,470 |
| EXPENDITURE ON | | | |
| Raising funds | 253 | - | 253 |
| Charitable activities | | | |
| Main Activity | 29,593 | 177,906 | 207,499 |
| Total | <u>29,846</u> | <u>177,906</u> | <u>207,752</u> |
| NET INCOME/(EXPENDITURE) | (13,913) | (18,369) | (32,282) |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | <u>22,777</u> | <u>57,838</u> | <u>80,615</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>8,864</u> | <u>39,469</u> | <u>48,333</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.20 | 31.12.19 |
|----------------------------------------|--------------|----------------|
| | \$ | \$ |
| Bank loans and overdrafts (see note 6) | - | 170,225 |
| Accrued expenses | <u>7,075</u> | <u>3,243</u> |
| | <u>7,075</u> | <u>173,468</u> |

6. LOANS

An analysis of the maturity of loans is given below:

| | 31.12.20 | 31.12.19 |
|------------------------------------------------|----------|----------------|
| | \$ | \$ |
| Amounts falling due within one year on demand: | | |
| Bank overdrafts | <u>-</u> | <u>170,225</u> |

7. MOVEMENT IN FUNDS

| | At 1.1.20 | Net movement in funds | Transfers between funds | At 31.12.20 |
|---------------------------|---------------|-----------------------|-------------------------|---------------|
| | \$ | \$ | \$ | \$ |
| Unrestricted funds | | | | |
| General fund | 8,864 | 4,556 | (1,138) | 12,282 |
| Restricted funds | | | | |
| Audio Project | 550 | (550) | - | - |
| Noorul Abaa | 24,635 | (24,691) | 803 | 747 |
| Tan-Jaz | 8,884 | (6,148) | (1,911) | 825 |
| Chanting | 400 | (1,758) | 1,358 | - |
| Mallouhi | 5,000 | - | - | 5,000 |
| John | <u>-</u> | <u>(888)</u> | <u>888</u> | <u>-</u> |
| | <u>39,469</u> | <u>(34,035)</u> | <u>1,138</u> | <u>6,572</u> |
| TOTAL FUNDS | <u>48,333</u> | <u>(29,479)</u> | <u>-</u> | <u>18,854</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. MOVEMENT IN FUNDS - continued

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

| | Incoming resources \$ | Resources expended \$ | Movement in funds \$ |
|---------------------------|-----------------------------|-----------------------------|----------------------------|
| Unrestricted funds | | | |
| General fund | 16,198 | (11,642) | 4,556 |
| Restricted funds | | | |
| Audio Project | - | (550) | (550) |
| Noorul Abaa | (1) | (24,690) | (24,691) |
| Tan-Jaz | 9,332 | (15,480) | (6,148) |
| Chanting | 1,750 | (3,508) | (1,758) |
| Mallouhi | 22,000 | (22,000) | - |
| John | 136 | (1,024) | (888) |
| | <u>33,217</u> | <u>(67,252)</u> | <u>(34,035)</u> |
| TOTAL FUNDS | <u>49,415</u> | <u>(78,894)</u> | <u>(29,479)</u> |

Comparatives for movement in funds

| | At 1.1.19 \$ | Net movement in funds \$ | At 31.12.19 \$ |
|---------------------------|-----------------|-----------------------------------|----------------------|
| Unrestricted funds | | | |
| General fund | 22,777 | (13,913) | 8,864 |
| Restricted funds | | | |
| Library | 1,015 | (1,015) | - |
| Audio Project | 17,089 | (16,539) | 550 |
| Noorul Abaa | 39,734 | (15,099) | 24,635 |
| Tan-Jaz | - | 8,884 | 8,884 |
| Chanting | - | 400 | 400 |
| Mallouhi | - | 5,000 | 5,000 |
| | <u>57,838</u> | <u>(18,369)</u> | <u>39,469</u> |
| TOTAL FUNDS | <u>80,615</u> | <u>(32,282)</u> | <u>48,333</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. MOVEMENT IN FUNDS - continued

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

| | Incoming resources \$ | Resources expended \$ | Movement in funds \$ |
|---------------------------|-----------------------------|-----------------------------|----------------------------|
| Unrestricted funds | | | |
| General fund | 15,933 | (29,846) | (13,913) |
| Restricted funds | | | |
| Library | - | (1,015) | (1,015) |
| Audio Project | - | (16,539) | (16,539) |
| Noorul Abaa | 119,275 | (134,374) | (15,099) |
| Tan-Jaz | 19,862 | (10,978) | 8,884 |
| Chanting | 15,400 | (15,000) | 400 |
| Mallouhi | <u>5,000</u> | <u>-</u> | <u>5,000</u> |
| | <u>159,537</u> | <u>(177,906)</u> | <u>(18,369)</u> |
| TOTAL FUNDS | <u>175,470</u> | <u>(207,752)</u> | <u>(32,282)</u> |

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

| | At 1.1.19 \$ | Net movement in funds \$ | Transfers between funds \$ | At 31.12.20 \$ |
|---------------------------|-----------------|-----------------------------------|-------------------------------------|----------------------|
| Unrestricted funds | | | | |
| General fund | 22,777 | (9,357) | (1,138) | 12,282 |
| Restricted funds | | | | |
| Library | 1,015 | (1,015) | - | - |
| Audio Project | 17,089 | (17,089) | - | - |
| Noorul Abaa | 39,734 | (39,790) | 803 | 747 |
| Tan-Jaz | - | 2,736 | (1,911) | 825 |
| Chanting | - | (1,358) | 1,358 | - |
| Mallouhi | - | 5,000 | - | 5,000 |
| John | <u>-</u> | <u>(888)</u> | <u>888</u> | <u>-</u> |
| | <u>57,838</u> | <u>(52,404)</u> | <u>1,138</u> | <u>6,572</u> |
| TOTAL FUNDS | <u>80,615</u> | <u>(61,761)</u> | <u>-</u> | <u>18,854</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. MOVEMENT IN FUNDS - continued

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 | 32,131 | (41,488) | (9,357) |
| Restricted funds | | | |
| Library | - | (1,015) | (1,015) |
| Audio Project | - | (17,089) | (17,089) |
| Noorul Abaa | 119,274 | (159,064) | (39,790) |
| Tan-Jaz | 29,194 | (26,458) | 2,736 |
| Chanting | 17,150 | (18,508) | (1,358) |
| Mallouhi | 27,000 | (22,000) | 5,000 |
| John | 136 | (1,024) | (888) |
| | <u>192,754</u> | <u>(245,158)</u> | <u>(52,404)</u> |
| TOTAL FUNDS | <u>224,885</u> | <u>(286,646)</u> | <u>(61,761)</u> |

Library Project: Funds received to finance a project to make the charity's literature available to a wider readership by placing books in public, schools and other libraries.

Audio Project: Funds received to record Scripture translations produced by Al Kalima.

Noorul Abaa: Funds received to translate a selection of Old Testament passages; in preparation for printing in a hardback volume.

Tanara-Jazara: Funds received for the translation of Scripture into N.African dialectal Arabic, and the production of audiovisual media from these texts.

Chanting: Funds received to produce audio clips of the Bible in a chanted style.

Mallouhi: Funds received for the personal support of our founder Mazhar Mallouhi.

8. RELATED PARTY DISCLOSURES

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

Al Kalima

Detailed Statement of Financial Activities
for the Year Ended 31 December 2020

| | 31.12.20 | 31.12.19 |
|---------------------------------------|-----------------|-----------------|
| | \$ | \$ |
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Gifts | (1) | 1 |
| Donations | <u>47,598</u> | <u>172,845</u> |
| | 47,597 | 172,846 |
| Other trading activities | | |
| Book Sales | <u>1,818</u> | <u>2,624</u> |
| Total incoming resources | 49,415 | 175,470 |
| EXPENDITURE | | |
| Raising donations and legacies | | |
| Website costs | 134 | 253 |
| Charitable activities | | |
| Translation | 22,824 | 11,614 |
| Digital Media | 1,160 | 4,918 |
| Recording | 8,500 | 31,500 |
| Book Production | 16,000 | 154,783 |
| Travel/Freight | <u>1,363</u> | <u>309</u> |
| | 49,847 | 203,124 |
| Support costs | | |
| Management | | |
| Travel | - | 490 |
| Accountancy | 3,401 | 3,259 |
| Sundries | 18 | 291 |
| Professional Fees | <u>24,250</u> | <u>-</u> |
| | 27,669 | 4,040 |
| Finance | | |
| Bank charges | <u>1,244</u> | <u>335</u> |
| Total resources expended | <u>78,894</u> | <u>207,752</u> |
| Net expenditure | <u>(29,479)</u> | <u>(32,282)</u> |

This page does not form part of the statutory financial statements