



(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.

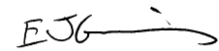
Al Kalima has continued to benefit from the generosity of a small number of donors. It has often been the case that we have printed books before we have the funds to do so. The faithfulness of God in providing and the trust of our suppliers has enabled us to continue doing this over many years. Gifts 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

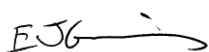
The company is entitled to exemption from audit under Section 477 of the Companies Act 2006.

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>
	\$	\$	\$	\$
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>
	\$	\$	\$	\$
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>
	\$	\$	\$	\$
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>
	\$	\$	\$	\$
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	<u>777</u>	<u>796</u>

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	<u>3,777</u>	<u>4,696</u>

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
	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>4,865</u>

10. Cash at bank and in hand

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

Al Kalima
(A Company Limited by Guarantee)

11. Statement of funds

Statement of funds – current year

	Balance as at 1 January 2024	Income	Expenditure	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

	Balance as at 1 January 2023	Income	Expenditure	Transfers in/out	Balance as at 31 December 2023
	\$	\$	\$	\$	\$
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

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total funds</i>
	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>	
		1,447		778
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>22,458</u>		<u>31,402</u>