

COMPANY REGISTRATION NUMBER: 05889208

CHARITY REGISTRATION NUMBER: 1119056

Jamia Al-Karam
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2024

K B M UK LIMITED
Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

Jamia Al-Karam
Company Limited by Guarantee
Financial Statements
Year ended 31 August 2024

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	5
Statement of financial activities (including income and expenditure account)	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10

Jamia Al-Karam
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 August 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2024.

Reference and administrative details

Registered charity name	Jamia Al-Karam
Charity registration number	1119056
Company registration number	05889208
Principal office and registered office	Eaton Hall Retford Nottinghamshire DN22 0PR

The trustees

Mr M I H Pirzada
Mrs G Fatima
Mr I Hussain
Mr A B G Ali
Mr. Bakhtyar H Pirzada

Company secretary B.H. Pirzada

Independent examiner Mr. Mohammad Afzaal Bhatti For and on behalf of K B M UK Ltd
1 Concord Business Centre
Concord Road
London
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Structure, governance and management

Governing document

The Jamia Al-Karam is a company limited by guarantee governed by its Memorandum and Articles of Association dated 27 July 2006. It is registered as a charity with the Charity Commission.

Appointment of trustees

The first trustees shall be the subscribers to the Memorandum of the Charity. The number of trustees shall not be less than three and shall not be more than fifteen. The board may appoint a person who meets the criteria set out in the Articles of Association, and who is willing to act to be trustee, by a resolution of the Board passed by a majority of not less than three quarters of the trustees present and voting at the meeting of the board.

Jamia Al-Karam
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 August 2024

Structure, governance and management *(continued)*

Organisation

The trustees of the charity are legally responsible for the overall management of Jamia Al-Karam. The day to day running of the educational institution is led by the founder and trustee, Mr M I H Pirzada, who delegates tasks and responsibilities to members of staff. In the case of a dispute at trustee meeting, the decision is made by a majority vote. If the number of votes is equal, Mr M I H Pirzada has a casting vote.

Related parties

The charity has a close relationship with Jamia Al-Karam: Islamic Education and Cultural Trust the charity which holds the freehold of the premises the school operates from. Mr M. I. H. Pirzada is also trustee of that charity.

The Muslim Charity: Helping the Needy give donations to the charity. It is also a related party of which Mr M. I. H. Pirzada is trustee and the founder.

On 31st December 2020, the land and buildings forming the school were leased for 5 years from the Jamia Al-Karam Islamic Educational and Cultural Trust, for an annual rent of £4,000. The charity shall be responsible for the maintenance and insurance of the school.

Risk Management

The trustees of Jamia Al-Karam are responsible for the management of risks faced by the charity. Senior members of management have conducted a review of some of the risks that the charity may be exposed to. A risk register has been established and is reviewed on an annual basis. Where appropriate, procedures have been put into place to mitigate the risks.

As far as the premises owned and occupied by Jamia Al-Karam are concerned, a detailed and thorough fire risk assessment and a health and safety risk assessment have been conducted by a competent company and a complete report provided. Procedures are in place to control and minimize the risks in those specific areas. All such assessments are reviewed on an annual basis.

Jamia Al-Karam
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 August 2024

Objectives and activities

The objectives of the charity are:

To promote the faith of Islam and Islamic charitable institutions in the United Kingdom and overseas, in particular, but without prejudice to the generality of the foregoing, by:

1. The advancement of the Islamic Faith;
2. The advancement of education and in particular the provision of schools for Muslim children and the education and training of muslim Scholars and the provision of Muslim education in men and women;
3. The relief of the infirm, aged, poor and needy;
4. Such other purposes that are charitable in English Law which further the faith of Islam.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Over the past year, the charity has continued to strengthen its fundraising activities, resulting in a steady increase in funds raised. This growth has been driven by enhanced donor engagement initiatives and improvements to online donation platforms. Notably, the charity's Ramadan campaigns provided key opportunities to showcase its educational and community projects, leading to greater donor support and increased contributions. The annual live telethon also delivered a significant boost in donations, further contributing to the charity's financial stability. As a result of this increased funding, the campus has continued its programme of development and gradual refurbishment, enhancing the facilities available to students and the community.

Educationally, the charity's programmes continue to thrive, with many graduates now serving their communities as chaplains, Imams, teachers, and professionals. The institution maintains a curriculum that integrates faith-based education with a strong emphasis on citizenship, preparing students to embrace both their faith and British identity, and to contribute positively to society.

During the year, the institution expanded its reach by launching educational courses in various towns and cities through partnerships with alumni and local centres. In addition, online CPD (Continuing Professional Development) and training programmes have been successfully implemented, widening access to professional development opportunities.

The JAK 2024 Convention further strengthened community ties, drawing large numbers of attendees who engaged with the institution's work and contributed to its ongoing success. Support for the charity's educational and cultural projects continues to grow within the community, underpinning a strong foundation for future achievements.

Jamia Al-Karam
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 August 2024

Financial review

This is the sixteen year that the charity has run a boarding educational institution.

There was an operating surplus of £41,036 for the year. The restricted funds are £Nil and the unrestricted funds are in surplus by £855,342.

Total incoming resources for the year, including the donations, totalled £643,309.

The trustees' annual report and the strategic report were approved on 28 April 2025 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

Jamia Al-Karam
Company Limited by Guarantee
Independent Examiner's Report to the Trustees of Jamia Al-Karam
Year ended 31 August 2024

I report to the trustees on my examination of the financial statements of Jamia Al-Karam ('the charity') for the year ended 31 August 2024.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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).

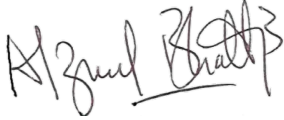
Jamia Al-Karam

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Jamia Al-Karam *(continued)*

Year ended 31 August 2024

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.



Mr. Mohammad Afzaal Bhatti

For and on behalf of
K B M UK Ltd
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

28/04/2025

Jamia Al-Karam
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 August 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	469,520	469,520	403,719
Charitable activities	6	173,789	173,789	170,173
Total income		<u>643,309</u>	<u>643,309</u>	<u>573,892</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	7	14,244	14,244	6,215
Expenditure on charitable activities	8,9	588,029	588,029	616,028
Total expenditure		<u>602,273</u>	<u>602,273</u>	<u>622,243</u>
Net income/(expenditure) and net movement in funds		<u>41,036</u>	<u>41,036</u>	<u>(48,351)</u>
Reconciliation of funds				
Total funds brought forward		814,306	814,306	862,657
Total funds carried forward		<u>855,342</u>	<u>855,342</u>	<u>814,306</u>

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

The notes on pages 10 to 17 form part of these financial statements.

Jamia Al-Karam
Company Limited by Guarantee
Statement of Financial Position
31 August 2024

	Note	2024 £	£	2023 £
Fixed assets				
Tangible fixed assets	14		301,109	311,336
Current assets				
Debtors	15	29,907		26,982
Cash at bank and in hand		536,217		516,079
		566,124		543,061
Creditors: amounts falling due within one year	16	11,891		40,091
Net current assets			554,233	502,970
Total assets less current liabilities			855,342	814,306
Net assets			855,342	814,306
Funds of the charity				
Unrestricted funds			855,342	814,306
Total charity funds	17		855,342	814,306

For the year ending 31 August 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 28 April 2025, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 10 to 17 form part of these financial statements.

Jamia Al-Karam
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 August 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure)	41,036	(48,351)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	111,435	104,266
Interest payable and similar charges	5,468	6,210
<i>Changes in:</i>		
Trade and other debtors	(2,925)	(7,843)
Trade and other creditors	(28,200)	(5,459)
Cash generated from operations	126,814	48,823
Interest paid	(5,468)	(6,210)
Net cash from operating activities	<u>121,346</u>	<u>42,613</u>
Cash flows from investing activities		
Purchase of tangible assets	(101,208)	(49,892)
Net cash used in investing activities	<u>(101,208)</u>	<u>(49,892)</u>
Net increase/(decrease) in cash and cash equivalents	20,138	(7,279)
Cash and cash equivalents at beginning of year	516,079	523,358
Cash and cash equivalents at end of year	<u>536,217</u>	<u>516,079</u>

The notes on pages 10 to 17 form part of these financial statements.

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 August 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

As at 31st August 2024, the Charitable Company's balance sheet shows net current assets of £554,233. The principal accounting policies adopted in the preparation of the financial statements are set out below.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 charity 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 charity for particular purposes. The cost 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.

Student Fee Income

Fee income is attributed to the period into which it relates.

Voluntary Income

Voluntary income is accounted for in the period in which the charity is entitled to receipt, unless expressly specified otherwise by the donor.

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

All the expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Costs of generating funds are those incurred in seeking voluntary contributions. Costs of charitable activities are those costs incurred directly in support of expenditure on the objectives of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with the constitutional and statutory requirements.

Depreciation

Depreciation has been computed to write off the cost of fixtures and fittings and equipments over their expected useful lives using 15% per annum of net book value and to write off the cost of leasehold improvements over their expected useful life using 10% per annum of cost.

Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

Tangible assets

All fixed assets are initially recorded at cost.

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Fixtures & Fittings	-	15% reducing balance
Equipment	-	15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

The charity is company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations	469,520	469,520	403,719	403,719

6. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Student fees	153,989	153,989	150,373	150,373
Rent Received	19,800	19,800	19,800	19,800
	<u>173,789</u>	<u>173,789</u>	<u>170,173</u>	<u>170,173</u>

7. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies				
- Donations	14,244	14,244	6,215	6,215

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 August 2024

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Charitable Activities	570,328	570,328	595,782	595,782
Support costs	17,701	17,701	20,246	20,246
	<u>588,029</u>	<u>588,029</u>	<u>616,028</u>	<u>616,028</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2024	Total fund 2023
	£	£	£	£
Charitable Activities	570,328	—	570,328	595,782
Governance costs	—	17,701	17,701	20,246
	<u>570,328</u>	<u>17,701</u>	<u>588,029</u>	<u>616,028</u>

10. Net income/(expenditure)

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

	2024	2023
	£	£
Depreciation of tangible fixed assets	111,435	104,266
Operating lease rentals	<u>—</u>	<u>4,000</u>

11. Independent examination fees

	2024	2023
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,200	1,200
Other financial services	5,271	4,986
	<u>6,471</u>	<u>6,186</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	<u>237,552</u>	<u>226,888</u>

The average head count of employees during the year was 11 (2023: 12). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of employees	<u>11</u>	<u>12</u>

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

12. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

13. Trustee remuneration and expenses

The Trustees received no remuneration or expenses for acting as trustees. During the year the total of expense reimbursed to the trustees, incurred in the course of acting as members of the charity, amounted to £Nil.

14. Tangible fixed assets

	Long leasehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 September 2023	879,598	233,628	242,636	1,355,862
Additions	96,644	3,034	1,530	101,208
At 31 August 2024	976,242	236,662	244,166	1,457,070
Depreciation				
At 1 September 2023	688,390	222,589	133,547	1,044,526
Charge for the year	92,731	2,111	16,593	111,435
At 31 August 2024	781,121	224,700	150,140	1,155,961
Carrying amount				
At 31 August 2024	195,121	11,962	94,026	301,109
At 31 August 2023	191,208	11,039	109,089	311,336

15. Debtors

	2024 £	2023 £
Prepayments and accrued income	29,907	25,469
Other debtors	–	1,513
	29,907	26,982

16. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	5,205	26,257
Accruals and deferred income	3,645	3,645
Social security and other taxes	3,041	812
Other creditors	–	9,377
	11,891	40,091

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

17. Analysis of charitable funds

Unrestricted funds

	At 1 September 2023	Income £	Expenditure £	At 31 August 20 24
Unrestricted Fund	<u>814,306</u>	<u>643,309</u>	<u>(602,273)</u>	<u>855,342</u>

	At 1 September 2022	Income £	Expenditure £	At 31 August 20 23
Unrestricted Fund	<u>862,657</u>	<u>573,892</u>	<u>(622,243)</u>	<u>814,306</u>

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	301,109	301,109
Current assets	554,233	554,233
Net assets	<u>855,342</u>	<u>855,342</u>

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	311,336	311,336
Current assets	502,970	502,970
Creditors greater than 1 year	—	—
Net assets	<u>814,306</u>	<u>814,306</u>

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2024 £	2023 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>566,124</u>	<u>543,061</u>

20. Analysis of changes in net debt

	At 1 Sep 2023 £	Cash flows £	At 31 Aug 2024 £
Cash at bank and in hand	<u>516,079</u>	<u>20,138</u>	<u>536,217</u>

Jamia Al-Karam
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2024

21. Related parties

On the 1st June 2007 the charity was granted a five years' lease of property with annual rent of £2,000 and renewed on 31 December 2015 with same £2,000 rent belonging to Jamia Al-Karam Islamic Educational and Cultural Trust, a charity of which Mr M I H Pirzada is also trustee. On the same day, the activities of the boarding school, including the fixtures and fittings and equipment were transferred from that charity. This lease has been renewed on 31 December 2020 for a term of 5 years at the rent of of £4,000 per annum.

