

**AL FALAH INSTITUTE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

# AL FALAH INSTITUTE

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                          |   |
|--------------------------|---|
| <b>Trustees</b>          | Mrs Mariam Tariq<br>Mrs Zakia Khan<br>Mrs Z Raja<br>Mrs Saeeda Ali                    |
| <b>Charity number</b>    | 1131917   |
| <b>Principal address</b> | 14 Yeading Lane<br>Hayes<br>Middlesex<br>United Kingdom<br>UB4 0EX                    |
| <b>Accountants</b>       | Reddy Siddiqui LLP<br>183-189 The Vale<br>Acton<br>London<br>United Kingdom<br>W3 7RW |

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# AL FALAH INSTITUTE

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# AL FALAH INSTITUTE

## TRUSTEES REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The Trustees present their annual report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's [governing document], the Charities Act 2011 and "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**

The Charity's objects are for the advancement of Islamic religion for the benefit of Muslim women in accordance with the doctrine of the holy Quran and sunnah. For the advancement of Islamic education amongst Muslim women in the doctrines and practices of the Islamic religion particularly in accordance with the doctrines and practices of Muslim faith according to the holy Quran and sunnah. By providing and assisting in the provision of facilities for recreational and other leisure time occupation for the benefit of female inhabitants of London borough of Hillingdon and London borough of Ealing and surrounding areas and particularly for the benefit of Muslim women so that the conditions of the life of the said inhabitants may be improved. and there has been no change in these during the year.

#### *Public benefit*

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

#### **Achievements and performance**

This year has been quite eventful. Our classes are going strong! We have now included cooking sessions, Maths and IT in our weekly programme, therefore supporting women to become independent in their day-to-day activities.

We ran a successful appeal for the Pakistani floods which occurred in October 2022.

In Spring 2023 we were chosen to be one of Hillingdon's chosen charities by the Mayor of Hillingdon. This will help to raise awareness of Al-Falah Institute and the support available to the community. As part of this partnership, we have created the Refugee Project which supports local refugee's.

Sadly our Trustee Shakila Sher resigned in May.

In a traumatic turn of events, Al-Falah was subject to a burglary and arson on 26th September 2023. We are currently in direct contact with the Police to help with the investigation. We have raised over £60,000 to help fund items that would not be covered by the insurance.

#### **Financial review**

##### *Reserves policy*

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

##### *Major risks*

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Structure, governance and management**

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# AL FALAH INSTITUTE

## TRUSTEES REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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The Trustees who served during the year and up to the date of signature of the financial statements were:

Mrs Mariam Tariq

Mrs Zakia Khan

Mrs Shakila Abbasi

(Resigned 16 May 2023)

Mrs Z Raja

Mrs Saeeda Ali

### *Recruitment and appointment of trustees*

The Trustees report was approved by the Board of Trustees.



Mrs Z Raja

**Trustees**

31 October 2023

# **AL FALAH INSTITUTE**

## **CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AL FALAH INSTITUTE FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of AL Falah Institute for the year ended 30 September 2023, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made to the charity's Trustees, as a body, in accordance with the terms of our engagement letter dated 1 September 2018. Our work has been undertaken solely to prepare for your approval the financial statements of AL Falah Institute and state those matters that we have agreed to state to the charity's Trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than AL Falah Institute and the charity's Trustees as a body, for our work or for this report.

It is your duty to ensure that AL Falah Institute has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of AL Falah Institute. You consider that AL Falah Institute is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of AL Falah Institute. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Reddy Siddiqui LLP**

31 October 2023

**Chartered Accountants**

183-189 The Vale  
Acton  
London  
W3 7RW  
United Kingdom

# AL FALAH INSTITUTE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

|   |       | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|   | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b>Income from:</b>                                   |       |                                    |                                  |                    |                                    |                                  |                    |
| Donations and legacies                                | 2     | 45,858                             | -                                | 45,858             | 40,011                             | 716                              | 40,727             |
| <b>Expenditure on:</b>                                |       |                                    |                                  |                    |                                    |                                  |                    |
| Raising funds   | 3     | 375                                | -                                | 375                | -                                  | -                                | -                  |
| Charitable activities                                 | 4     | 40,120                             | -                                | 40,120             | 49,547                             | -                                | 49,547             |
| Total expenditure                                     |       | 40,495                             | -                                | 40,495             | 49,547                             | -                                | 49,547             |
| <b>Net income/(expenditure) and movement in funds</b> |       | 5,363                              | -                                | 5,363              | (9,536)                            | 716                              | (8,820)            |
| <b>Reconciliation of funds:</b>                       |       |                                    |                                  |                    |                                    |                                  |                    |
| Fund balances at 1 October 2022                       |       | 759,458                            | 1,066                            | 760,524            | 768,994                            | 350                              | 769,344            |
| <b>Fund balances at 30 September 2023</b>             |       | 764,821                            | 1,066                            | 765,887            | 759,458                            | 1,066                            | 760,524            |

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

# AL FALAH INSTITUTE

## BALANCE SHEET

AS AT 30 SEPTEMBER 2023

|   | Notes | 2023<br>£ | £       | 2022<br>£ | £       |
|---|-------|-----------|---------|-----------|---------|
| <b>Fixed assets</b>                                   |       |           |         |           |         |
| Tangible assets                                       | 9     |           | 653,709 |           | 637,216 |
| <b>Current assets</b>                                 |       |           |         |           |         |
| Cash at bank and in hand                              |       | 123,338   |         | 136,248   |         |
| <b>Creditors: amounts falling due within one year</b> | 10    | 11,160    |         | 12,940    |         |
| Net current assets                                    |       |           | 112,178 |           | 123,308 |
| <b>Total assets less current liabilities</b>          |       |           | 765,887 |           | 760,524 |
| <b>The funds of the Charity</b>                       |       |           |         |           |         |
| Restricted income funds                               | 11    |           | 1,066   |           | 1,066   |
| Unrestricted funds                                    |       |           | 764,821 |           | 759,458 |
|   |       |           | 765,887 |           | 760,524 |

The financial statements were approved by the Trustees on 31 October 2023



Mrs Z Raja  
Trustee



# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

#### Charity information

Al Falah Institute is a is an unincorporated association.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

#### 1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1 Accounting policies

(Continued)

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

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                             |                  |
|-----------------------------|------------------|
| Freehold land and buildings | 2% Straight Line |
|-----------------------------|------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.6 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 1 Accounting policies (Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

### 2 Income from donations and legacies

|                     | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 45,858                             | -                                | 45,858             | 40,011                             | 716                              | 40,727             |

### 3 Expenditure on raising funds

|                           | Unrestricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ |
|---------------------------|------------------------------------|------------------------------------|
| Fundraising and publicity |                                    |                                    |
| Advertising               | 375                                | -                                  |

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 4 Expenditure on charitable activities

|   | Unrestricted<br>fund<br>2023<br>£ | Unrestricted<br>fund<br>2022<br>£ |
|---|-----------------------------------|-----------------------------------|
| <b>Direct costs</b>                                       |                                   |                                   |
| Depreciation and impairment                               | 15,686                            | 15,042                            |
| Rates   | 206                               | 191                               |
| Insurance   | 1,530                             | 1,450                             |
| Power, light and heat                                     | 4,500                             | 2,818                             |
| Repairs & Maintenance                                     | 1,524                             | 639                               |
| Bank charge   | 9                                 | -                                 |
| Telephone & Fax   | 710                               | 636                               |
| Computer running costs                                    | 250                               | -                                 |
| Other Charitable Expenses                                 | 14,985                            | 28,051                            |
|   | <u>39,400</u>                     | <u>48,827</u>                     |
| <b>Share of support and governance costs (see note 5)</b> |                                   |                                   |
| Governance  | 720                               | 720                               |
|   | <u>40,120</u>                     | <u>49,547</u>                     |
| <b>Analysis by fund</b>                                   |                                   |                                   |
| Unrestricted funds  | <u>40,120</u>                     | <u>49,547</u>                     |

### 5 Support costs allocated to activities

|                          | 2023<br>£  | 2022<br>£  |
|--------------------------|------------|------------|
| Governance costs         | <u>720</u> | <u>720</u> |
| <b>Analysed between:</b> |            |            |
| Unrestricted fund        | <u>720</u> | <u>720</u> |

### 6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

### 7 Employees

The average monthly number of employees during the year was:

| 2023<br>Number | 2022<br>Number |
|----------------|----------------|
| <u>1</u>       | <u>1</u>       |

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 7 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

### 8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 9 Tangible fixed assets

Freehold land  
and buildings  
£

#### Cost

At 1 October 2022

752,115

Additions

32,180

At 30 September 2023

784,295

#### Depreciation and impairment

At 1 October 2022

114,900

Depreciation charged in the year

15,686

At 30 September 2023

130,586

#### Carrying amount

At 30 September 2023

653,709

At 30 September 2022

637,216

### 10 Creditors: amounts falling due within one year

2023  
£

2022  
£

Other creditors

9,000

11,500

Accruals and deferred income

2,160

1,440

11,160

12,940

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 11 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

|                       | At 1 October<br>2022         | Incoming<br>resources         | At 30<br>September<br>2023          |
|-----------------------|------------------------------|-------------------------------|-------------------------------------|
|                       | £                            | £                             | £                                   |
|                       | 1,066                        | -                             | 1,066                               |
|                       | <u>          </u>            | <u>          </u>             | <u>          </u>                   |
| <b>Previous year:</b> | <b>At 1 October<br/>2021</b> | <b>Incoming<br/>resources</b> | <b>At 30<br/>September<br/>2022</b> |
|                       | £                            | £                             | £                                   |
|                       | 350                          | 716                           | 1,066                               |
|                       | <u>          </u>            | <u>          </u>             | <u>          </u>                   |

### 12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

|                       | At 1 October<br>2022         | Incoming<br>resources         | Resources<br>expended         | At 30<br>September<br>2023          |
|-----------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------------|
|                       | £                            | £                             | £                             | £                                   |
| General funds         | 759,458                      | 45,858                        | (40,495)                      | 764,821                             |
|                       | <u>          </u>            | <u>          </u>             | <u>          </u>             | <u>          </u>                   |
| <b>Previous year:</b> | <b>At 1 October<br/>2021</b> | <b>Incoming<br/>resources</b> | <b>Resources<br/>expended</b> | <b>At 30<br/>September<br/>2022</b> |
|                       | £                            | £                             | £                             | £                                   |
| General funds         | 768,994                      | 40,011                        | (49,547)                      | 759,458                             |
|                       | <u>          </u>            | <u>          </u>             | <u>          </u>             | <u>          </u>                   |

### 13 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ |
|---|------------------------------------|----------------------------------|--------------------|
| <b>Fund balances at 30 September 2023 are represented by:</b> |                                    |                                  |                    |
| Tangible assets   | 653,709                            | -                                | 653,709            |
| Current assets/(liabilities)                                  | 111,112                            | 1,066                            | 112,178            |
|   | <u>          </u>                  | <u>          </u>                | <u>          </u>  |
|   | 764,821                            | 1,066                            | 765,887            |
|   | <u>          </u>                  | <u>          </u>                | <u>          </u>  |

# AL FALAH INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 13 Analysis of net assets between funds

(Continued)

|   | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---|------------------------------------|----------------------------------|--------------------|
| <b>Fund balances at 30 September 2022 are represented by:</b> |                                    |                                  |                    |
| Tangible assets   | 637,216                            | -                                | 637,216            |
| Current assets/(liabilities)                                  | 122,242                            | 1,066                            | 123,308            |
|   | <u>759,458</u>                     | <u>1,066</u>                     | <u>760,524</u>     |

### 14 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).