

**AL- FALAH ISLAMIC EDUCATION CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

AL- FALAH ISLAMIC EDUCATION CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr A A A Miah
Mr A Miah
Mr N H Karbani

Charity number

1132039

Independent examiner

Ashton & Co Accountants Limited
2 Crescent Parade
Uxbridge
Middlesex
United Kingdom
UB10 0LG

AL- FALAH ISLAMIC EDUCATION CENTRE

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AL- FALAH ISLAMIC EDUCATION CENTRE

TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

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 to develop a place of worship for Muslims living in and around West Drayton. The charity also organises and participates in community events to promote equality, diversity and good race relations and there has been no change in these during the year.

Public benefit

Al-Falah Islamic Education Centre meets the Charity Commissions public benefit criteria under both the advancement of education and the advancement of citizenship or community development objectives. The trustees have complied with Section 17 of the Charities Act 2011 with regards to public benefit guidance issued by the Charity Commission.

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

Achievements and performance

Financial review

The Charity has managed to bring in a stable stream of donations and has kept costs at a minimum. The charity also achieved significant results in the most cost effective ways possible which is reflected by the retained funds by the charity. The funds can be used to start new charitable projects.

Future Plans

AL-Falah Islamic Education Centre is a well established charity organisation supporting Muslim families across West Drayton. Our future aim includes:

- Continue to diversify funding streams, so that core organisational costs are met from a range of sources
- Involving local residents and groups in issue and development likely to affect quality of life in the local area
- Developing new projects and initiatives that meet the current and emerging needs of the Muslim community
- Strengthening internal governance structures and broadening the role and involvement of trustees

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.

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

The charity is controlled by its governing document, a constitution and constitutes an unincorporated charity.

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

Mr A A A Miah

Mr A Miah

Mr N H Karbani

None of the trustees has any beneficial interest in the charity.

AL- FALAH ISLAMIC EDUCATION CENTRE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Al-Falah Islamic Education Centre was established in 2009 as unincorporated charity. The charity currently has three trustees. The charity is being managed and administered by its trustees.

The trustees report was approved by the Board of Trustees.



Mr A A A Miah
Trustee

30 January 2025

AL- FALAH ISLAMIC EDUCATION CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AL- FALAH ISLAMIC EDUCATION CENTRE

I report to the trustees on my examination of the financial statements of Al- Falah Islamic Education Centre (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable 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 ACCA, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.



Mohammad Saqib Rana FCCA
Ashton & Co Accountants Limited
Chartered Certified Accountants
FCCA
2 Crescent Parade
Uxbridge
Middlesex
UB10 0LG
United Kingdom

Dated: 30 January 2025

AL- FALAH ISLAMIC EDUCATION CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	428,156	113,037
Total income		428,156	113,037
Expenditure on:			
Charitable activities	4	100,190	89,034
Total expenditure		100,190	89,034
Net income and movement in funds		327,966	24,003
Reconciliation of funds:			
Fund balances at 1 April 2023		192,315	168,313
Fund balances at 31 March 2024		520,281	192,316

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

AL- FALAH ISLAMIC EDUCATION CENTRE

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	9	167,651		-	
Cash at bank and in hand		540,630		192,316	
		<u>708,281</u>		<u>192,316</u>	
Creditors: amounts falling due within one year	11	(188,000)		-	
Net current assets			520,281		192,316
Net assets excluding pension liability			520,281		192,316
			<u><u>520,281</u></u>		<u><u>192,316</u></u>
The funds of the charity					
Unrestricted funds			520,281		192,316
			<u><u>520,281</u></u>		<u><u>192,316</u></u>

The financial statements were approved by the trustees on 30 January 2025


Mr A A A Miah
Trustee

AL- FALAH ISLAMIC EDUCATION CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Al- Falah Islamic Education Centre is an unincorporated charity. It is governed by its constitution amended on 30 June 2015. The registered office of the charity is 15 Vine Close, West Drayton, UB7 9HH.

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 Income

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.

AL- FALAH ISLAMIC EDUCATION CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

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.

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

1.6 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.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 ISLAMIC EDUCATION CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	428,156	113,037

AL- FALAH ISLAMIC EDUCATION CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Expenditure on charitable activities

	Charitable expenditure 2024 £	Charitable expenditure 2023 £
Direct costs		
Staff costs	23,634	54,212
Rent	17,981	17,979
Rates	4,154	6,505
Printing and publications	6,726	163
Repairs and maintenance	2,779	845
Utilities	18,371	4,211
Donation	900	2,150
General expense	430	134
Telecommunication	226	341
Computer cost	2,929	2,494
Event cost	22,060	-
	<u>100,190</u>	<u>89,034</u>
Analysis by fund		
Unrestricted funds	<u>100,190</u>	<u>89,034</u>

5 Net movement in funds

2024 £	2023 £
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The net movement in funds is stated after charging/(crediting):

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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:

2024 Number	2023 Number
<u>2</u>	<u>4</u>

Employment costs

	2024 £	2023 £
Wages and salaries	<u>23,634</u>	<u>54,212</u>

8 Taxation

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

AL- FALAH ISLAMIC EDUCATION CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

9 Debtors	2024	2023
	£	£
Amounts falling due within one year:		
Other debtors	167,651	-

10 Loans and overdrafts	2024	2023
	£	£
Other loans (Qard-e-Hasna)	188,000	-
Payable within one year	188,000	-

Other loans (Qard-e-Hasna) are interest free loans given by the local community for the development of the charity and are repayable on demand.

11 Creditors: amounts falling due within one year	2024	2023
	£	£
Borrowings	188,000	-

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 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	192,315	428,156	(100,190)	520,281
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	168,313	113,037	(89,034)	192,316

13 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).