

AL ARQAM

England & Wales · Charity number 1133157

Details

Status Registered

Legal form Other

Registered 2009-12-07

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

Contact

Address 10 Memorial Road
Luton
Bedfordshire
LU3 2QU

Phone 01582527655

Email enquiries@alarqam.org.uk

Activities

Objects: TO FURTHER SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE COMMUNITY IN AND AROUND LUTON OR SUCH OTHER PLACES AS ARE DETERMINED FROM TIME TO TIME AS THE EXECUTIVE COMMITTEE SEES FIT IN PARTICULAR BUT NOT EXCLUSIVELY BY: I RELIEVING THOSE IN FINANCIAL NEED, HARDSHIP OR DISTRESS II ADVANCING EDUCATION IN PARTICULAR THROUGH TRAINING AND PROVIDING EDUCATIONAL PROGRAMMES III ESTABLISHING AND MAINTAINING A YOUTH AND COMMUNITY CENTRE; AND IV PROVIDING OR ASSISTING IN THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE

Activities: Provision of Education and Training for children/young people through the provision of services. The prevention or relief of poverty or financial hardship anywhere in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty and providing or assisting in the provision of education.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** LUTON
- Central Bedfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£302,296	£301,429	-	-
2024-04-30	£263,682	£262,522	-	-
2023-04-30	£230,527	£229,696	-	-
2022-04-30	£195,991	£244,304	-	-
2021-04-30	£213,420	£191,479	-	-

Trustees

Name	Role	Appointed
QAISER MALIK	Chair	
SAQIB AFGHAN		
TALLAT MEHMOOD		2013-04-21
USMAN SHAFI		

AL ARQAM

England & Wales - Charity number 1133157

Accounts

**AL ARQAM
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2025**



Al Arqam Contents

	Page
Reference and Administrative Details	1
Trustees' Report	2–3
Independent Examiner's Report	4
Statement of Financial Activities	5
Statement of Financial Position	6
Notes to the Financial Statements	7–10
The following pages do not form part of the statutory accounts:	
Detailed Statement of Financial Activities	11

Al Arqam
Reference and Administrative Details
For The Year Ended 30 April 2025

Trustees	Mr Qaiser Malik - Chair Mr Tallat Mahmood Mr Usman Shafi Mr Saqib Afghan
Charity Number	1133157
Principal Address	Al Arqam 10 Memorial Road Luton Bedfordshire LU3 2QU
Independent Examiner	Mr Umber Khan, AFA, MIPA Taxwise Accountancy 16 Titan Court Laporte Way Luton Bedfordshire LU4 8EF

Al Arqam

Trustees' Report For The Year Ended 30 April 2025

The trustees present their report and the financial statements for the year ended 30 April 2025.

Objectives and Activities

Aims and Objectives

The objectives of the charity set out in the charity's trust deed and are to promote the benefit of the community in and around Luton or such other places, as are determined from time to time, as the Executive Committee sees fit but not exclusively by:

- Relieving those in financial need, hardship or distress
- Advancing education in particular through training and providing educational programmes
- Establishing and maintaining a youth and community Centre and
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.

Public Benefit

Our trustees periodically review the objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

Main Achievements

- Shaykh Alaa played a crucial role in the continuation of improvements of our existing books by creating abridged versions of the book, increasing accuracy and improving the Quran learning process.
- The charity also maintained and enhanced its facilities, painting the classrooms and adding a new shoe rack to better serve community needs
- The charity has also upgraded their administration computer software for better efficiency and allowing the team to better serve the community.

Structure, Governance and Management

Governing Document

The governing document of the charity is the written constitution approved by the members and endorsed by the Charity Commission in England & Wales (CCEW).

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1133157.

The charity is constituted as an unincorporated charity, established by a written constitution. There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

Trustee Selection Methods

The trustees are all individuals. The Board of Trustees administers the Charity. It normally meets at least 4 times a year and has appointed working groups that meet as appropriate to prepare reports and recommendations for the Board of Trustees' consideration. Trustees attend the Charity on a routine or occasional basis at other times.

**Al Arqam
Trustees' Report (continued)
For The Year Ended 30 April 2025**

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at anytime the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees and signed on its behalf by:



Mr Qaiser Malik

Trustee
25/02/2026

Al Arqam
Independent Examiner's Report to the Trustees of Al Arqam
For The Year Ended 30 April 2025

I report to the trustees on my examination of the accounts of Al Arqam (the Trust) for the year ended 30 April 2025.

Responsibilities and Basis of Report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

Since the Trust'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 Institute of Financial Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents 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 accounts to be reached.



Mr Umber Khan, AFA, MIPA

25/02/2026
16 Titan Court
Laporte Way
Luton
Bedfordshire
LU4 8EF

**Al Arqam
Statement of Financial Activities
For The Year Ended 30 April 2025**

	Notes	2025 Unrestricted funds £	2024 Unrestricted funds £
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	4	302,296	263,682
EXPENDITURE ON:			
Charitable activities:	7		
Charitable Activities		(301,429)	(262,522)
NET INCOME		867	1,160
NET MOVEMENT IN FUNDS		867	1,160
RECONCILIATION OF FUNDS:			
Total funds brought forward		104,368	103,208
TOTAL FUNDS CARRIED FORWARD	13	105,235	104,368

The notes on pages 7 to 10 form part of these financial statements.

Al Arqam
Statement of Financial Position
As At 30 April 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS			
Tangible Assets	11	96,546	97,407
		<u>96,546</u>	<u>97,407</u>
CURRENT ASSETS			
Cash at bank and in hand		11,436	9,366
		<u>11,436</u>	<u>9,366</u>
Creditors: Amounts Falling Due Within One Year	12	(2,747)	(2,405)
		<u>(2,747)</u>	<u>(2,405)</u>
NET CURRENT ASSETS (LIABILITIES)		<u>8,689</u>	<u>6,961</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>105,235</u>	<u>104,368</u>
NET ASSETS		<u>105,235</u>	<u>104,368</u>
FUNDS OF THE CHARITY			
Unrestricted Funds		<u>105,235</u>	<u>104,368</u>
TOTAL FUNDS	13	<u>105,235</u>	<u>104,368</u>

The financial statements were approved by the board of trustees on 25 February 2026 and were signed on its behalf by:



Mr Qaiser Malik
Trustee

The notes on pages 7 to 10 form part of these financial statements.

Al Arqam
Notes to the Financial Statements
For The Year Ended 30 April 2025

1. General Information

Al Arqam is a charitable incorporated organisation registered with the Charity Commission, registered charity number 1133157. The principal address is Al Arqam, 10 Memorial Road, Luton, Bedfordshire, LU3 2QU.

2. Statement of Compliance

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)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011.

3. Accounting Policies

3.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The charity is a Public Benefit Entity as defined by FRS 102.

3.2. Going Concern Disclosure

The trustees have not identified any material uncertainties related to events or conditions that may cast significant doubt about the charity's ability to continue as a going concern.

3.3. Incoming Resources

3.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	25% reducing method
Fixtures & Fittings	10% reducing method

3.5. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

4. Income from Donations and Legacies

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Donations and gifts	1,560	10,665
Member subscriptions and sponsorships	300,736	253,017
	<u>302,296</u>	<u>263,682</u>

5. Income from Charitable Activities

6. Net Income/(Expenditure)

The net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets - owned	<u>861</u>	<u>1,061</u>

Al Arqam
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2025

7. Analysis of Expenditure

	Activities undertaken directly	Support costs (see note 8)	2025
	£	£	Total £
Charitable Activities	8,857	292,572	301,429
			2024
	£	£	Total £
Charitable Activities	7,648	254,874	262,522

8. Support Costs

	2025
	Charitable Activities £
Employee costs	231,341
Premises expenses	47,184
General administration	12,547
Governance costs	1,500
	292,572
	2024
	Charitable Activities £
Employee costs	197,283
Premises expenses	43,661
General administration	12,430
Governance costs	1,500
	254,874

Al Arqam
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2025

9. Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	231,341	197,283
Social security costs	3,621	2,484
Other pension costs	1,808	1,720
	<u>236,770</u>	<u>201,487</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

10. Average Number of Employees

Average number of employees during the year was: 35 (2024: 28)

11. Tangible Assets

	Land & Property Improvements	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£
Cost				
As at 1 May 2024	91,600	14,000	5,447	111,047
As at 30 April 2025	<u>91,600</u>	<u>14,000</u>	<u>5,447</u>	<u>111,047</u>
Depreciation				
As at 1 May 2024	-	12,131	1,509	13,640
Provided during the period	-	468	393	861
As at 30 April 2025	<u>-</u>	<u>12,599</u>	<u>1,902</u>	<u>14,501</u>
Net Book Value				
As at 30 April 2025	<u>91,600</u>	<u>1,401</u>	<u>3,545</u>	<u>96,546</u>
As at 1 May 2024	<u>91,600</u>	<u>1,869</u>	<u>3,938</u>	<u>97,407</u>

12. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Other creditors	872	530
Accruals and deferred income	1,875	1,875
	<u>2,747</u>	<u>2,405</u>

Al Arqam
Notes to the Financial Statements (continued)
For The Year Ended 30 April 2025

13. Movement in Funds

	As at 1 May 2024	Income	Expenditure	As at 30 April 2025
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	104,368	302,296	(301,429)	105,235
Total funds	104,368	302,296	(301,429)	105,235
	104,368	302,296	(301,429)	105,235
	As at 1 May 2023	Income	Expenditure	As at 30 April 2024
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	103,208	263,682	(262,522)	104,368
Total funds	103,208	263,682	(262,522)	104,368
	103,208	263,682	(262,522)	104,368

14. Transactions with Trustees

None of the trustees received any remuneration or any other benefits from an employment with the charity or a related entity during the current or previous year.

No trustee expenses have been incurred.

15. Related Party Disclosures

There have been no related party transactions in the reporting period that require disclosure.

Al Arqam
Detailed Statement of Financial Activities
For The Year Ended 30 April 2025

	2025	2024
	Total funds	Total funds
	£	£
INCOME AND ENDOWMENTS FROM:		
Donations and legacies		
Donations and gifts	1,560	10,665
Student subscriptions	300,736	253,017
	<u>302,296</u>	<u>263,682</u>
	302,296	263,682
EXPENDITURE ON:		
Charitable Activities:		
Charitable Activities		
Employers NI	(3,621)	(2,484)
Employers contribution pensions	(1,808)	(1,720)
Travel and subsistence expenses	(203)	(478)
Vehicle running costs	(2,364)	(1,905)
Depreciation of motor vehicles	(467)	(623)
Depreciation of fixtures and fittings	(394)	(438)
Wages and salaries	(231,341)	(197,283)
Rent	(19,250)	(21,000)
Rates	(4,033)	(3,119)
Light and heat	(5,921)	(9,728)
Repairs and maintenance	(5,440)	(1,214)
Cleaning	(12,540)	(8,600)
Insurance	(2,714)	(1,091)
Postage	(4)	(11)
Stationery	(1,542)	(963)
Telecommunications	(1,158)	(1,113)
Website costs	(571)	(454)
Legal fees	(1,489)	(4,439)
Publications and other information	(924)	(878)
Bank charges	(549)	(160)
Charitable donations	(1,224)	(1,224)
Sundry expenses	(2,372)	(2,097)
Accountancy fees	(1,500)	(1,500)
	<u>(301,429)</u>	<u>(262,522)</u>
	(301,429)	(262,522)
NET INCOME	<u>867</u>	<u>1,160</u>

AL ARQAM

England & Wales - Charity number 1133157

Accounts

AL ARQAM

**Trustees' Report
And
Financial Statements**

**For The Year End
30 April 2024**

TRUSTEES' REPORT 3
INDEPENDENT EXAMINER'S REPORT..... 8
STATEMENT OF FINANCIAL ACTIVITIES 11
BALANCE SHEET 12
NOTES TO THE FINANCIAL STATEMENTS 13

The Trustees present their annual report together with the financial statements for the year ended 30 April 2024.

Reference and administrative details

The charity name:

The legal name of the charity is: - Al Arqam.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1133157.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as an unincorporated charity, established by a written constitution. The governing document of the charity is the written constitution approved by the members and endorsed by the Charity Commission in England & Wales (CCEW).

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are: -

10 Memorial Rd
Luton, Bedfordshire
LU3 2QU

Telephone: 01582 527655
Email Address: enquiries@alarqam.org.uk
Website: www.alarqam.org.uk

The Trustees in office on the date the report was approved were: -

Mr Qaiser Malik (Chair)
Mr Monirual Asad Huda
Mr Saqib Afghan
Mr Usman Shafi
Mr Abdul Ghafoor
Mr Tallat Mehmood

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 objectives of the charity set out in the charity's trust deed and are to promote the benefit of the community in and around Luton or such other places, as are determined from time to time, as the Executive Committee sees fit but not exclusively by:

- Relieving those in financial need, hardship or distress
- Advancing education in particular through training and providing educational programmes
- Establishing and maintaining a youth and community Centre and
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.

Our trustees periodically review the objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Structure, governance and management

The charity trustees are responsible for general control and management of the charity.

The Board of Trustees administers the Charity. It normally meets at least 4 times a year and has appointed working groups that meet as appropriate to prepare reports and recommendations for the Board of Trustees' consideration. Trustees attend the Charity on a routine or occasional basis at other times.

The Charity has dedicated staff and staff retention is very high. Whenever possible the charity employs staff that reflect the community which they serve.

Each member of staff receives monthly supervision, during which individual professional developments are discussed and supported. Between them staff speak various languages and bring a host of strengths and skills to their work at Al Arqam, including Social Work, Education and Early Years. This background allows the Charity to work to very high standards and to share good practice and to encourage reflection to ensure that individual needs of all service-users are fully met.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in doing so the trustees seek the views and recommendations of community leaders. The trustees believe this approach ensures that new trustees are respected members of the local community and ensure that good relations are fostered between Al Arqam and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the persons' eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following the appointment new trustees, they are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by the charity. A number of publications from the charity commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix, which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review this risk matrix periodically and are satisfied that systems are in place, or arrangements are in hand, to manage the identified risks. In particular, insurance cover is in place and the finances of Al Arqam are kept under review. Appropriate DBS checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups.

The risk management strategy for Al Arqam comprises:

- An annual review of the key risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified within the risk register
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Employee consultation

The charity provides an avenue for provision of information, consultation and discussion of a wide range of matters affecting staff and volunteers.

Achievements and performance

In 2023, the charity continued to make significant strides in its mission to enhance the community's spiritual and educational well-being. Shaykh Alaa played a pivotal role in this progress by improving the Holy Qur'an learning books for students and creating a new book-7 for advanced learners. This initiative not only enriched the curriculum but also provided students with a more comprehensive understanding of the Holy Qur'an. Additionally, Shaykh Alaa offered extra support to teaching staff, helping them improve their recitation skills, which in turn benefited their students immensely. The charity also maintained and enhanced its facilities, replacing the old boiler and heating system with a new, more efficient one to better serve the community's needs.

Throughout the year, the charity engaged young people and adults from diverse backgrounds and ethnicities in various activities at the center. The administrative team developed effective systems to manage school operations and communications, ensuring smooth and efficient functioning. Weekly language classes and educational programs were delivered consistently, and staff training on health and safety, safeguarding, and user engagement continued throughout the year.

Financial review

Reserves policy

Our Reserves Policy relates to our General Funds only. No designated, restricted or endowment funds are held. We aim to hold reserves amounting to approximately six months' average expenditure. The level of reserves held at 30 April 2024 is shown on the Balance Sheet.

Principal funding sources

The charity's main source of income is through subscriptions for Al Arqam services.

Public benefit statement

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

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to: -

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law)
- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

Law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 28 February 2025.

A handwritten signature in black ink, appearing to read "Qaiser Malik".

Mr Qaiser Malik
Chair & Trustee

I report to the Trustees on my examination of the financial statements of the charity for the year ended 30 April 2024 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) adapted to meet the needs of unincorporated organisations, as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on the financial statements.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the 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 Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit go beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report, I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that: -

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect: -

- a) accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;
- b) the financial statements do not accord with those records; or
- c) 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;
- d) have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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.

Signed:-



Mr Umber Khan, AFA, MIPA
Independent Examiner
Taxwise Accountancy
Unit 16, Titan Court
Laporte Way
Luton
LU4 8EF

This report was signed on 28 February 2025.

STATEMENT OF FINANCIAL
ACTIVITIESFOR THE YEAR ENDED
30 APRIL 2024

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2024 £	Total Funds 2023 £
Income and endowments from:				
Donations and legacies	2	263,682.03	263,682.03	230,527.00
Total		263,682.03	263,682.03	230,527.00
Expenditure on:				
Charitable activities	3	261,461.97	261,461.97	228,545.00
Other	5	1,060.60	1,060.60	1,151.00
Total		262,522.57	262,522.57	229,696.00
Net income/(expenditure)		1,159.46	1,159.46	831.00
Net movement in funds		1,159.46	1,159.46	831.00
Reconciliation of funds:				
Total funds brought forward		103,208.00	103,208.00	102,377.00
Total funds carried forward		104,367.46	104,367.46	103,208.00

FOR THE YEAR ENDED
30 APRIL 2024

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2024 £	Total Funds 2023 £
Fixed assets				
Tangible assets	6	97,406.54	97,406.54	96,970.00
Total fixed assets		97,406.54	97,406.54	96,970.00
Current assets				
Cash at bank and in hand	7	9,366.06	9,366.06	8,606.00
Total current assets		9,366.06	9,366.06	8,606.00
Creditors: amounts falling due within one year	8	1,914.98	1,914.98	2,368.00
Net current assets/(liabilities)		7,451.08	7,451.08	6,238.00
Total assets less current liabilities		104,857.62	104,857.62	103,208.00
Provisions for liabilities		(489.86)	(489.86)	-
Total net assets or liabilities		105,347.48	105,347.48	103,208.00
Funds of the Charity				
Unrestricted funds	9	104,367.46	104,367.46	103,208.00
Restricted income funds	9	-	-	-
Endowment funds	9	-	-	-
Total funds		104,367.46	104,367.46	103,208.00

The financial statements were approved by the Board on 28-Feb-2025 and signed on its behalf by:



Mr Qaiser Malik
Chair & Trustee

1 Accounting Policies

1.1 Accounting Policies

The principal accounting policies adopted by the Charity, which is a public benefit entity, in the preparation of the accounts are as follows.

1.2 Basis of preparation

These accounts have been prepared under the historical cost convention, as modified by the inclusion of charitable properties and fixed asset investments and investment properties at valuation.

These accounts have been prepared in accordance with “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These accounts are presented in pounds sterling and rounded to the nearest pound.

1.3 Going concern

The Trustees have prepared financial projections, taking into consideration the current economic conditions and have, at the time of approving these accounts, a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the accounts.

2 Income from Donations and Legacies

Analysis	Unrestricted funds	Total funds 2024	Total funds 2023
	£	£	£
Donation and gifts	10,665.00	10,665.00	11,960.00
Membership subscriptions and sponsorships which are in substance donations	253,017.03	253,017.03	218,567.00
	<u>263,682.03</u>	<u>263,682.03</u>	<u>230,527.00</u>

3 Expenditure on Charitable Activities

Analysis	Total funds 2024	Total funds 2023
	£	£
Bank charges	159.99	405.00
Legal/professional fees	4,439.20	1,380.00
Charity donation	1,224.00	1,224.00
Software cost	453.68	269.00
Postage	11.20	10.00
Stationery and printing	963.21	1,199.00
Information and publications	878.00	282.00
Telephone, fax and internet	1,113.42	1,168.00
Premises repairs, renewals and maintenance	1,214.20	2,796.00
Cleaning and waste management	8,600.00	8,058.00
Light heat and power	9,728.37	5,492.00
Rates and water charges	3,119.02	2,962.00
Rent payable	21,000.00	21,000.00
Motor expenses	1,905.09	1,285.00
Travel and subsistence	2,573.60	3,384.00
Pension contribution	1,719.96	1,728.00
Employers' national insurance contribution	2,484.31	1,545.00
Wages and salaries	197,283.49	170,761.00
Support Costs	2,591.23	3,597.00
	<u>261,461.97</u>	<u>228,545.00</u>

4 Support Costs

Analysis	Total funds 2024	Total funds 2023
	£	£
Governance Costs		
Accountants' fees	1,500.00	1,500.00
Insurance	1,091.23	2,097.00
	<u>2,591.23</u>	<u>3,597.00</u>

5 Other Expenditure

Analysis	Unrestricted funds £	Total funds 2024 £	Total funds 2023 £
Depreciation Charge for the Year - Motor Vehicles	623.00	623.00	831.00
Depreciation Charge for the Year - Fixtures & Fittings	437.60	437.60	320.00
	1,060.60	1,060.60	1,151.00

FOR THE YEAR ENDED
30 APRIL 2024

6 Tangible Fixed Assets

6.1 Cost or valuation

	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings
	£	£	£
At 01 May 2023	91,599.60	14,000.00	3,950.00
Additions	-	-	1,496.88
Disposals	-	-	-
Revaluations	-	-	-
Transfers	-	-	-
At 30 April 2024	91,599.60	14,000.00	5,446.88

6.2 Amortisation and impairments

	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings
	£	£	£
At 01 May 2023	-	11,508.29	1,071.05
Additions	-	623.00	437.60
Disposals	-	-	-
Revaluations	-	-	-
Transfers	-	-	-
At 30 April 2024	-	12,131.29	1,508.65

6.3 Net book value

	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings
	£	£	£
At 01 May 2023	91,599.60	2,491.71	2,878.95
At 30 April 2024	91,599.60	1,868.71	3,938.23

7 Cash at bank and in hand

	Total funds 2024	Total funds 2023
	£	£
Cash at bank and on hand	9,366.06	8,606.00
	9,366.06	8,606.00

8 Creditors: Amounts falling due within one year

	Total funds 2024	Total funds 2023
	£	£
Accruals and deferred income	1,875.00	2,000.00
Other creditors	39.98	368.00
	1,914.98	2,368.00

FOR THE YEAR ENDED
30 APRIL 2024

9 Charity funds

9.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted General Funds	103,208.00	263,682.03	(262,522.57)	-	-	104,367.46
Total	103,208.00	263,682.03	(262,522.57)	-	-	104,367.46

9.2 Details of material funds held and movements during the PREVIOUS reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted General Funds	102,377.00	230,527.00	(229,696.00)	-	-	103,208.00
Total	102,377.00	230,527.00	(229,696.00)	-	-	103,208.00

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AL ARQAM

England & Wales - Charity number 1133157

Accounts

AL ARQAM
Trustees' Report
And
Financial Statements
For The Year End
30 April 2023

TRUSTEES' REPORT.....	3
INDEPENDENT EXAMINER'SREPORT	8
STATEMENT OF FINANCIAL ACTIVITIES.....	10
BALANCE SHEET.....	11
NOTES TO THE FINANCIAL STATEMENTS.....	12

The Trustees present their annual report together with the financial statements for the year ended 30 April 2023.

Reference and administrative details

The charity name:

The legal name of the charity is: - Al Arqam.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1133157.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as an unincorporated charity, established by a written constitution. The governing document of the charity is the written constitution approved by the members and endorsed by the Charity Commission in England & Wales (CCEW).

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are: -

10 Memorial Rd
Luton, Bedfordshire
LU3 2QU
Telephone: 01582 527655
Email Address: enquiries@alarqam.org.uk
Website: www.alarqam.org.uk

The Trustees in office on the date the report was approved were: -

Mr Qaiser Malik (Chair)
Mr Monirual Asad Huda
Mr Saqib Afghan
Mr Usman Shafi
Mr Abdul Ghafoor
Mr Tallat Mehmood

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's governing document, the Companies Act 2006 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 objectives of the charity set out in the charity's trust deed and are to promote the benefit of the community in and around Luton or such other places, as are determined from time to time, as the Executive Committee sees fit but not exclusively by:

- Relieving those in financial need, hardship or distress;
- Advancing education in particular through training and providing educational programmes;
- Establishing and maintaining a youth and community Centre; and
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.

Our trustees periodically review the objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Structure, governance and management

The charity trustees are responsible for general control and management of the charity.

The Board of Trustees administers the Charity. It normally meets at least 4 times a year and has appointed working groups that meet as appropriate to prepare reports and recommendations for the Board of Trustees' consideration. Trustees attend the Charity on a routine or occasional basis at other times.

The Charity has dedicated staff and staff retention is very high. Whenever possible the charity employs staff that reflect the community which they serve.

Each member of staff receives monthly supervision, during which individual professional developments are discussed and supported. Between them staff speak various languages and bring a host of strengths and skills

to their work at Al Arqam, including Social Work, Education and Early Years. This background allows the Charity to work to very high standards and to share good practice and to encourage reflection to ensure that individual needs of all service-users are fully met.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in doing so the trustees seek the views and recommendations of community leaders. The trustees believe this approach ensures that new trustees are respected members of the local community and ensure that good relations are fostered between Al Arqam and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the persons' eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following the appointment new trustees, they are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by the charity. A number of publications from the charity commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix, which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review this risk matrix periodically and are satisfied that systems are in place, or arrangements are in hand, to manage the identified risks. In particular, insurance cover is in place and the finances of Al Arqam are kept under review. Appropriate DBS checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups.

The risk management strategy for Al Arqam comprises:

- An annual review of the key risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified within the risk register;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Employee consultation

The charity provides an avenue for provision of information, consultation and discussion of a wide range of matters affecting staff and volunteers.

Achievements and performance

The charity carries out a wide range of activities in pursuance of its charitable aims including:

- I. Maintaining and enhancing the facilities in response to user needs.
2. The old boiler and heating system has been replaced with the new boiler and heating system.
3. The charity continued to engage young persons and adults during the year from a range of backgrounds and ethnicities to participate in various activities at the centre.
4. The administrative team have developed systems to manage school operations and communications effectively.
5. Delivery of weekly language classes and educational programmes.
6. Staff training on health and safety, safeguarding and user engagement continued throughout the year.
7. Successfully filled the position of religious worker, a Shaykh. Shaykh has led prayers, delivering language classes, in addition to individual teaching sessions for community.

Financial review

Reserves policy

Our Reserves Policy relates to our General Funds only. No designated, restricted or endowment funds are held. We aim to hold reserves amounting to approximately six months' average expenditure. The level of reserves held at 30 April 2023 is shown on the Balance Sheet.

Principal funding sources

The charity's main source of income is through subscriptions for Al Arqam services.

Public benefit statement

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

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 28 February 2024.



Mr Qaiser Malik
Chair & Trustee

I report to the Trustees on my examination of the financial statements of the charity for the year ended 30 April 2023 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) adapted to meet the needs of unincorporated organisations, as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on the financial statements.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the 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 Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit go beyond the limited assurance that an independent examination can provide.

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report, I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that: -

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect: -

- a) accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;
- b) the financial statements do not accord with those records; or
- c) 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;
- d) have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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.

Signed:-

A handwritten signature in black ink, appearing to read "U. Khan".

Mr Umber Khan, AFA, MIPA
Independent Examiner
Taxwise Accountancy
Unit 16, Titan Court
Laporte Way
Luton
Bedfordshire
LU4 8EF

This report was signed on 28 February 2024.

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £	Total Funds 2022 £
Incoming resources				
Income and endowments from:				
Donations and legacies	2	230,527.00	230,527.00	195,991.00
Total		230,527.00	230,527.00	195,991.00
Resources expended				
Expenditure on:				
Charitable activities	3	228,545.00	228,545.00	242,841.00
Other	5	1,151.00	1,151.00	1,463.00
Total		229,696.00	229,696.00	244,304.00
Net income/(expenditure) before investment gains/(losses)		831.00	831.00	(48,313.00)
Net income/(expenditure)		831.00	831.00	(48,313.00)
Net movement in funds		831.00	831.00	(48,313.00)
Reconciliation of funds:				
Total funds brought forward		102,377.00	102,377.00	150,690.00
Total funds carried forward		103,208.00	103,208.00	102,377.00

Recommended categories by activity	Notes	Unrestricted funds £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets				
Tangible assets	7	96,970.00	96,970.00	98,122.00
Total fixed assets		96,970.00	96,970.00	98,122.00
Current assets				
Cash at bank and in hand	8	8,606.00	8,606.00	20,946.00
Total current assets		8,606.00	8,606.00	20,946.00
Creditors: amounts falling due within one year	9	2,368.00	2,368.00	16,691.00
Net current assets/(liabilities)		6,238.00	6,238.00	4,255.00
Total assets less current liabilities		103,208.00	103,208.00	102,377.00
Total net assets or liabilities		103,208.00	103,208.00	102,377.00
Funds of the Charity				
Unrestricted funds	10	103,208.00	103,208.00	102,377.00
Restricted income funds	10	-	-	-
Endowment funds	10	-	-	-
Total funds		103,208.00	103,208.00	102,377.00

The financial statements were approved by the Board on 28-Feb-2024 and signed on its behalf by:



Mr Qaiser Malik
Chairperson & Trustee

1 Accounting Policies

1.1 Accounting Policies

The principal accounting policies adopted by the Charity, which is a public benefit entity, in the preparation of the accounts are as follows.

1.2 Basis of preparation

These accounts have been prepared under the historical cost convention, as modified by the inclusion of charitable properties and fixed asset investments and investment properties at valuation.

These accounts have been prepared in accordance with “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These accounts are presented in pounds sterling and rounded to the nearest pound.

1.3 Going concern

The Trustees have prepared financial projections, taking into consideration the current economic conditions and have, at the time of approving these accounts, a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the accounts.

1.4 Income from donations or grants

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing. If a donation or grant contains terms and conditions outside of the charity’s control which must be met before the charity is entitled to the funds, or if the donor specifies that the funds must be used in future time periods, then the income is deferred.

1.5 Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

1.6 Donated goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Gifts in kind for use by the charity are included in the SOFA as income from donations when receivable.

- **a) Donated goods for distribution to beneficiaries** the cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.
- **b) Donated goods for resale** Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.
- **c) Donated goods and services capitalised as Tangible fixed assets** Goods donated for on-going use by a charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations within the SOFA.

1.7 Donated services and facilities

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

1.8 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies. Membership subscriptions which give a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

1.9 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably. It is inclusive of VAT which cannot be recovered.

Direct costs are those costs which directly attribute to its activities. Wages and salaries are allocated to direct costs based on an estimate of time spent on charitable activities by staff members.

Support costs include staff costs and are those which do not produce a direct output. Staff costs relate to specific activities and this is reflected in the allocation of payroll costs based on the percentage of time spent.

All costs, including governance costs, are allocated between the expenditure categories of the charity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are charged directly; others are apportioned on an appropriate basis.

Support costs and overheads have been calculated by allocating staff time to the level of involvement in the various activities of the Charity.

1.10 Pensions

The Charity makes contributions to defined contribution pension schemes through auto enrolment. These contributions are charged to the income and expenditure account in the year in which they become payable.

1.11 Taxation

The organisation is a registered charity and has no liability to income tax or corporation tax on its charitable activities during the year.

1.12 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

1.13 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

1.14 Fund accounting

Unrestricted funds are those 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.

1.15 Tangible fixed assets

Tangible fixed assets, such as land and buildings, plant, vehicles and equipment, are held to provide an on-going economic benefit to a charity through their contribution, directly or indirectly, to the provision of goods or services by the charity.

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Name	Rate (%)	Year	Method
Land & Building	0%		no depreciation is charged on buildings

Fixture and fittings	10%	reducing balance
Motor vehicles	25%	reducing balance

Note: Provide an option to increase rows as per user requirement.

We have to provide the above tabular form in the accounting policy screen to enter details manually and upon saving the data, it should appear in the report without headings.

2 Income from Donations and Legacies

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds 2023	Total funds 2022
Analysis	£	£	£	£	£
Donation and gifts	11,960.00	-	-	11,960.00	1,040.00
General grants provided by Government/other charities	-	-	-	-	26,420.00
Membership subscriptions and sponsorships which are in substance donations	218,567.00	-	-	218,567.00	168,531.00
	230,527.00	-	-	230,527.00	195,991.00

3 Expenditure on Charitable Activities

	Total funds 2023	Total funds 2022
Analysis	£	£
Bank charges	405.00	84.00

Legal/professional fees	1,380.00	100.00
Charity donation	1,224.00	1,224.00
Software cost	269.00	245.00
Postage	10.00	12.00
Stationery and printing	1,199.00	277.00
Information and publications	282.00	1,071.00
Telephone, fax and internet	1,168.00	1,309.00
Premises repairs, renewals and maintenance	2,796.00	10,439.00
Cleaning and waste management	8,058.00	6,600.00
Light heat and power	5,492.00	2,229.00
Rates and water charges	2,962.00	1,860.00
Rent payable	21,000.00	34,000.00
Motor expenses	1,285.00	2,066.00
Travel and subsistence	3,384.00	1,892.00
Pension contribution	1,728.00	1,875.00
Employers' national insurance contribution	1,545.00	1,963.00
Wages and salaries	170,761.00	170,822.00
Support Costs	3,597.00	4,773.00
	228,545.00	242,841.00

4 Support Costs

	Total funds 2023	Total funds 2022
Analysis	£	£
Governance Costs		
Accountants' fees	1,500.00	2,750.00

Insurance	2,097.00	2,023.00
	3,597.00	4,773.00

5 Other Expenditure

Analysis	Unrestricted funds £	Restricted income funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
Depreciation Charge for the Year - Motor Vehicles	831.00	-	-	831.00	1,107.00
Depreciation Charge for the Year - Fixtures & Fittings	320.00	-	-	320.00	356.00
	1,151.00	-	-	1,151.00	1,463.00

6 Employee's Emoluments

6.1 Staff Costs

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum

7 Tangible Fixed Assets

7.1 Cost or valuation

	Other Land & Buildings £	Motor Vehicles £	Fixtures & Fittings £
At 01 May 2022	91,600.00	14,000.00	3,950.00

Additions	-	-	-
Disposals	-	-	-
Revaluations	-	-	-
Transfers	-	-	-
At 30 April 2023	91,600.00	14,000.00	3,950.00

7.2 Amortisation and impairments

	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings
	£	£	£
At 01 May 2022	-	10,678.00	751.00
Additions	-	831.00	320.00
Disposals	-	-	-
Revaluations	-	-	-
Transfers	-	-	-
At 30 April 2023	-	11,509.00	1,071.00

7.3 Net book value

	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings
	£	£	£
At 01 May 2022	91,600.00	3,322.00	3,199.00
At 30 April 2023	91,600.00	2,491.00	2,879.00

8 Cash at bank and in hand

	Total funds 2023	Total funds 2022
	£	£
Cash at bank and on hand	8,606.00	20,946.00
	8,606.00	20,946.00

9 Creditors: Amounts falling due within one year

	Total funds 2023	Total funds 2022
	£	£
Accruals and deferred income	2,000.00	1,500.00
Taxation and social security	-	887.00
Other creditors	368.00	14,304.00
	2,368.00	16,691.00

10 Charity funds

10.1 Details of material funds held and movements during the CURRENT reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted General Funds	102,377.00	230,527.00	(229,696.00)	-	-	103,208.00
Total	102,377.00	230,527.00	(229,696.00)	-	-	103,208.00

10.2 Details of material funds held and movements during the PREVIOUS reporting period

Fund names	Fund balances brought forward	Income	Expenditure	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted General Funds	150,690.00	195,991.00	(244,304.00)	-	-	102,377.00
Total	150,690.00	195,991.00	(244,304.00)	-	-	102,377.00

AL ARQAM

England & Wales - Charity number 1133157

Accounts

The Charity Registration Number is 1133157

Al Arqam
Report and Accounts
30 April 2022

Al Arqam

Report and accounts for the year ended 30 April 2022

Contents

	Page
Charity information	1
Trustees' Annual Report	2
Independent Accountant's Report	6
Statement of Financial Activities	8
Balance sheet	9
Notes to the accounts	10

Al Arqam

Trustees' Annual Report for the year ended 30 April 2022

The Trustees present their Report and Accounts for the year ended 30 April 2022.

Reference and administrative details

The charity name.

The legal name of the charity is:- Al Arqam.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1133157.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as an unincorporated charity, established by a written constitution. The governing document of the charity is the written constitution approved by the members and endorsed by the Charity Commission in England & Wales (CCEW) .

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

10 Memorial Rd
Luton, Bedfordshire
LU3 2QU

Telephone: 01582 527655

Email Address enquiries@alarqam.org.uk Web address www.alarqam.org.uk

The Trustees in office on the date the report was approved were:-

Qaiser Malik (Chairman)
Tallat Mehmood
Saqib Afghan
Usman Shafi
Abdul Ghafoor

The following persons served as Trustees during the year ended 30 April 2022 :-

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

Al Arqam

Trustees' Annual Report for the year ended 30 April 2022

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

The objectives of the charity set out in the charity's governing document and are to promote the benefit of the community in and around Luton or such other places, as are determined from time to time, as the Executive Committee sees fit but not exclusively by:

- Relieving those in financial need, hardship or distress;
- Advancing education in particular through training and providing educational programmes;
- Establishing and maintaining a youth and community centre; and
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.

The main activities undertaken in relation to those purposes during the year.

Our trustees periodically review the objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit

The main activities undertaken during the year to further the charity's purpose for the public benefit.

Our objectives are set to reflect our faith and community aims. Our trustees periodically review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit. Our dual aims remain to provide a facility for education and recreational activities for the general public.

The main achievements and performance of the charity during the year.

The charity carries out a wide range of activities in pursuance of its charitable aims including:

1. Maintaining and enhancing the facilities in response to user needs.
2. The charity continued to engage young persons and adults during the year from a range of backgrounds and ethnicities to participate in various activities at the centre.
3. The administrative team have developed systems to manage school operations and communications effectively.
4. Delivery of weekly language classes and educational programmes.
5. Staff training on health and safety, safeguarding and user engagement continued throughout the year.

Al Arqam

Trustees' Annual Report for the year ended 30 April 2022

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees.

The existing trustees are responsible for the recruitment of new trustees but in doing so the trustees seek the views and recommendations of community leaders. The trustees believe this approach ensures that new trustees are respected members of the local community and ensure that good relations are fostered between Al Arqam and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the persons' eligibility, personal competence, specialist knowledge and skills.

The policies and procedures for the induction and training of trustees.

Following the appointment new trustees, they are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by the charity. A number of publications from the charity commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

The charity's organisational structure.

The charity trustees are responsible for general control and management of the charity.

The Board of Trustees administers the Charity. It normally meets at least 4 times a year and has appointed working groups that meet as appropriate to prepare reports and recommendations for the Board of Trustees' consideration. Trustees attend the Charity on a routine or occasional basis at other times.

The Charity has dedicated staff and staff retention is very high. Whenever possible the charity employs staff that reflect the community which they serve.

Financial review

The charity's financial position at the end of the year ended 30 April 2022

The financial position of the charity at 30 April 2022 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2022	2021
	£	£
Net income	(48,313)	21,941
Unrestricted Revenue Funds available for the general purposes of the charity	102,376	150,690
Total Funds	102,376	150,690

Al Arqam

Trustees' Annual Report for the year ended 30 April 2022

Financial review of the position at the reporting date, 30 April 2022 .

The trustees consider the financial performance by the charity during the year to have been satisfactory, given the challenges the charity has faced due to the unforeseen effects of the coronavirus pandemic.

Policies on reserves.

Our Reserves Policy relates to our General Funds only. No designated, restricted or endowment funds are held. We aim to hold reserves amounting to approximately six months' average expenditure. The level of reserves held at 30 April 2022 is shown on the Balance Sheet.

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Al Arqam

Trustees' Annual Report for the year ended 30 April 2022

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 27 February 2023.



Mr Qaiser Malik
Trustee

Al Arqam

Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 30 April 2022

I report to the Trustees on my examination of the financial statements of the charity on pages 8 to 14 for the year ended 30 April 2022 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) adapted to meet the needs of unincorporated organisations, as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 19.

Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report

As described on page 4, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

Basis of Independent Examiner's Statement and scope of work undertaken

I report in respect of my examination of the charity's financial statements carried out under s145 of the 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 Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

Al Arqam

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

accounting records were not kept in respect of the charity as required by with Section 130 of The Charities Act 2011;

the financial statements do not accord with those records; or

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;

have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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.

Signed:-



Mr Umber Khan (AFA, MIPA) - Independent Examiner

Taxwise Accountancy

Unit 16, Titan Court

Laporte Way

Luton

Bedfordshire

LU4 8EF

This report was signed on 27 February 2023

Al Arqam - Statement of Financial Activities for the year ended 30 April 2022

Statement of Financial Activities for the year ended 30 April 2022

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2022	2022	2022	2021
	£	£	£	£
Income & Endowments from:				
Donations & Legacies	195,991	-	195,991	213,420
Expenditure on:				
Charitable activities	244,304	-	244,304	191,479
Total expenditure	244,304	-	244,304	191,479
Net income for the year	(48,313)	-	(48,313)	21,941
Net income after transfers	(48,313)	-	(48,313)	21,941
Net movement in funds	(48,313)	-	(48,313)	21,941
Reconciliation of funds:-				
Total funds brought forward	150,690	-	150,690	128,749
Total funds carried forward	102,377	-	102,377	150,690

Al Arqam - Balance Sheet as at 30 April 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	3	98,122	99,584
Total fixed assets		<u>98,122</u>	<u>99,584</u>
Current assets			
Debtors	4	-	10,000
Cash at bank and in hand		20,946	41,485
Total current assets		<u>20,946</u>	<u>51,485</u>
Creditors: amounts falling due within one year	5	<u>(16,691)</u>	<u>(379)</u>
Net current assets		4,255	51,106
		<u>102,377</u>	<u>150,690</u>
Net assets			
The total net assets of the charity		<u>102,377</u>	<u>150,690</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds		-	-
Unrestricted Funds			
Unrestricted Revenue Funds	102,377	150,690	
		102,377	150,690
Designated Funds			
Total charity funds		<u>102,377</u>	<u>150,690</u>

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 7.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.



Mr Qaiser Malik

Trustee

Approved by the board of trustees on 27 February 2023

Al Arqam

Notes to the Accounts for the year ended 30 April 2022

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing subscriptions from students and donations. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to **30 April 2023**, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Policies relating to categories of income and income recognition.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows;

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Freehold premises	0 % no depreciation is charged on buildings
Plant and machinery	10 % reducing balance
Motor vehicles	25 % reducing balance

Al Arqam

Notes to the Accounts for the year ended 30 April 2022

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

2 Staff costs and emoluments

<i>Salary costs</i>	2022	2021
	£	£
Salaries - Administrative staff	170,822	150,116
Employer's National Insurance for all staff	1,963	1,666
Employer's pension contribution	1,875	1,848
Total salaries, wages and related costs	174,660	153,630

<i>Numbers of full time employees or full time equivalents</i>	2022	2021
The average number of total staff employed in the year was	26	19

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

3 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 May 2021	91,600	3,950	14,000	109,550
At 30 April 2022	91,600	3,950	14,000	109,550
Depreciation				
At 1 May 2021	-	395	9,570	9,965
Charge for the year	-	356	1,107	1,463
At 30 April 2022	-	751	10,677	11,428
Net book value				
At 30 April 2022	91,600	3,199	3,323	98,122
At 30 April 2021	91,600	3,555	4,430	99,585

4 Debtors

	2022	2021
	£	£
Other debtors	-	10,000

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	1,500	-
PAYE, NIC VAT and other taxes	887	11
Wages and salaries	14,304	368
	16,691	379

6 No related party transactions

A related party transaction of £10,000 made by the charity during the year ended 30 April 2017 was repaid during the year. There were no other transactions with related parties in the year.

Al Arqam

Detailed analysis of income and expenditure for the year ended 30 April 2022 as required by the SORP 2015

7 Donations, Grants and Legacies

	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Donations and gifts from individuals				
Donations	1,040	-	1,040	1,225
Total donations and gifts from individuals	1,040	-	1,040	1,225
	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Revenue grants from government and public bodies				
HMRC Coronavirus Job Retention Scheme	26,420	-	26,420	58,724
Total public sector revenue grants	26,420	-	26,420	58,724
	Current year Unrestricted Funds 2022 £	Current year Restricted Funds 2022 £	Current year Total Funds 2022 £	Prior Year Total Funds 2021 £
Membership subscriptions as donations	168,531	-	168,531	153,471
Total Donations, Grants and Legacies				
Total Donations, Grants and Legacies	195,991	-	195,991	213,420

Al Arqam

Detailed analysis of income and expenditure for the year ended 30 April 2022 as required by the SORP 2015

8 Support costs for charitable activities

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2022	2022	2022	2021
	£	£	£	£
<i>Employee costs not included in direct costs</i>				
Salaries - Administrative staff	170,822	-	170,822	150,116
Employers' NI - Administrative staff	1,963	-	1,963	1,666
Training and welfare - staff	-	-	-	354
Pension contribution	1,875	-	1,875	1,848
Travel and subsistence - staff	1,892	-	1,892	503
Motor expenses	2,066	-	2,066	2,104
<i>Premises Expenses</i>				
Rent payable under operating leases	34,000	-	34,000	15,000
Rates and water charges	1,860	-	1,860	2,328
Light heat and power	2,229	-	2,229	2,789
Cleaning and waste management	6,600	-	6,600	6,600
Premises repairs, renewals and maintenance	10,439	-	10,439	663
<i>Administrative overheads</i>				
Telephone, fax and internet	1,309	-	1,309	1,220
Postage	12	-	12	-
Stationery and printing	277	-	277	159
Information and publications	1,071	-	1,071	-
Software licences and expenses	245	-	245	413
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Accountancy fees other than examination or audit fees	2,750	-	2,750	1,500
Other legal and professional	100	-	100	-
<i>Financial costs</i>				
Bank charges	84	-	84	129
Depreciation & Amortisation in total for	1,463	-	1,463	1,872
Support costs before reallocation	241,057	-	241,057	189,264
Total support costs - Current Year	241,057	-	241,057	189,264

The basis of allocation of costs between activities is described under accounting policies

All the expenditure in the prior year was unrestricted.

Administrative overheads

Al Arqam

Detailed analysis of income and expenditure for the year ended 30 April 2022 as required by the SORP 2015

The basis of allocation of costs between activities is described under accounting policies

9 Other Expenditure - Governance costs

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2022	2022	2022	2021
	£	£	£	£
Insurance	2,023	-	2,023	991
Charity donation	1,224	-	1,224	1,224
Total Governance costs	3,247	-	3,247	2,215

All the expenditure in the prior year was unrestricted.

10 Total Charitable expenditure

<i>Current Year</i>	Current year	Current year	Current year	Prior Year
	Unrestricted	Restricted	Total Funds	Total Funds
	Funds	Funds		
	2022	2022	2022	2021
	£	£	£	£
Total support costs	241,057	-	241,057	189,264
Total Governance costs	3,247	-	3,247	2,215
Total charitable expenditure	244,304	-	244,304	191,479

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>	Prior Year	Prior Year	Prior Year
	Unrestricted	Restricted	Total Funds
	Funds	Funds	
	2021	2021	2021
	£	£	£
Total support costs	189,264	-	189,264
Total Governance costs	2,215	-	2,215
Total charitable expenditure	191,479	-	191,479

AL ARQAM

England & Wales - Charity number 1133157

Accounts

Al Arqam

Trustees' report and unaudited financial statements
Charity Number 1133157
for the year ended 30 April 2021

Contents

Legal and administrative information	1
Trustees' report and responsibilities	2-5
Independent examiners' report	6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9-12

Legal and administrative

Charity number	1133157
Trustees	Qaiser Malik (Chairman) Monirual Asad Huda Saqib Afghan Usman Shafi Abdul Ghafoor Tallat Mehmood
Registered office	10 Memorial Road Luton Bedfordshire LU3 2QU
Accountants	IAB Accountants Limited Chartered Certified Accountants 200 Selbourne Road Luton Bedfordshire LU4 8LT
Principal bankers	Lloyds TSB 60 George Street Luton Bedfordshire LU1 2AP

Trustees' report

For the year ended 30 April 2021

The Trustees present their annual report together with the financial statements for the year ended 30 April 2021.

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 Companies Act 2006 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 objectives of the charity set out in the charity's trust deed and are to promote the benefit of the community in and around Luton or such other places, as are determined from time to time, as the Executive Committee sees fit but not exclusively by:

- Relieving those in financial need, hardship or distress;
- Advancing education in particular through training and providing educational programmes;
- Establishing and maintaining a youth and community centre; and
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship, or social circumstances with the object of improving their conditions of life.

Our trustees periodically review the objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commissions general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Structure, governance and management

Trustees and officers

The Trustees, who served throughout the year except where indicated, were as follows:

Qaiser Malik (Chairman)
Monirual Asad Huda
Saqib Afghan
Usman Shafi
Abdul Ghafoor
Tallat Mehmood

Constitution

Al Arqam is a charity which is an unincorporated association regulated by constitution. The charity registered number is 1133157.

Organisational structure

The charity trustees are responsible for general control and management of the charity.

The Board of Trustees administers the Charity. It normally meets at least 4 times a year and has appointed working groups that meet as appropriate to prepare reports and recommendations for the Board of Trustees' consideration. Trustees attend the Charity on a routine or occasional basis at other times.

The Charity has dedicated staff and staff retention is very high. Whenever possible the charity employs staff that reflect the community which they serve.

Trustees' report *(continued)*

Each member of staff receives monthly supervision, during which individual professional developments are discussed and supported. Between them staff speak various languages and bring a host of strengths and skills to their work at Al Arqam, including Social Work, Education and Early Years. This background allows the Charity to work to very high standards and to share good practice and to encourage reflection to ensure that individual needs of all service-users are fully met.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in doing so the trustees seek the views and recommendations of community leaders. The trustees believe this approach ensures that new trustees are respected members of the local community and ensure that good relations are fostered between Al Arqam and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the persons' eligibility, personal competence, specialist knowledge and skills.

Induction and training of trustees

Following the appointment new trustees, they are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by the charity. A number of publications from the charity commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix, which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening, and the measures taken to manage them. The trustees review this risk matrix periodically and are satisfied that systems are in place, or arrangements are in hand, to manage the identified risks. In particular, insurance cover is in place and the finances of Al Arqam are kept under review. Appropriate DBS checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups.

The risk management strategy for Al Arqam comprises:

- An annual review of the key risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified within the risk register;
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

COVID-19

As the pandemic and consequent Government regulations have remained with us, we have continued to operate remotely by and large, taking advantage of the relaxing of restrictions when it occurred. This is inevitably not completely satisfactory given the very personal nature of our interactions with service-users and the practical difficulty for many of them to access appropriate technology. With an apparent improvement in the pandemic outlook, we hope for a return to normal operations.

Employee consultation

The charity provides an avenue for provision of information, consultation and discussion of a wide range of matters affecting staff and volunteers.

Trustees' report *(continued)*

Achievements and performance

The charity carries out a wide range of activities in pursuance of its charitable aims including:

1. Maintaining and enhancing the facilities in response to user needs.
2. The old boiler and heating system has been replaced with the new boiler and heating system.
3. The charity continued to engage young persons and adults during the year from a range of backgrounds and ethnicities to participate in various activities at the centre.
4. The administrative team have developed systems to manage school operations and communications effectively.
5. Delivery of weekly language classes and educational programmes.
6. Staff training on health and safety, safeguarding and user engagement continued throughout the year.

Financial review

Reserves policy

Our Reserves Policy relates to our General Funds only. No designated, restricted or endowment funds are held. We aim to hold reserves amounting to approximately six months' average expenditure. The level of reserves held at 30 April 2021 is shown on the Balance Sheet.

Principal funding sources

The charity's main source of income is through subscriptions for Al Arqam services. Given the economic conditions due to COVID19 this has been declining. The main reason was due to less students coming back to the centre and instead prefer studying online. However, plans are being drawn up to ensure more students are joining the centre by attending the regular classes to pre COVID level.

Public benefit statement

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

Statement of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



Qaiser Malik
Trustee & Chairman

Date: 23/02/2022

Independent examiners' report to the trustees on the unaudited financial statements to the members of Al Arqam.

I report to the Trustees on my examination of the financial statements of Al Arqam for the year ended 30 April 2021.

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 Act')

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and 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

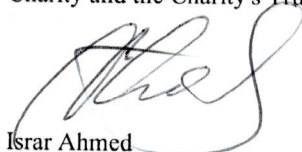
An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The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

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 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements 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).

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.

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's Trustees as a body, for my work or for this report.



Israr Ahmed

IAB Accountants Limited
Chartered Certified Accountants
200 Selbourne Road
Luton
LU4 8LT

Date: 23/02/2022

Statement of financial activities
for the year ended 30 April 2021

	Restricted funds £	Unrestricted funds £	2021 Total £	2020 Total £
Incoming resources				
Subscriptions from students	-	153,471	153,471	201,315
Donations received	-	1,225	1,225	2,490
Government grants	-	58,724	58,724	-
Total incoming resources	<u>-</u>	<u>213,420</u>	<u>213,420</u>	<u>203,805</u>
Resources expanded				
Charitable activities	-	1,224	1,224	2,104
Governance expenses	-	190,255	190,255	207,635
Total resources expanded	<u>-</u>	<u>191,479</u>	<u>191,479</u>	<u>209,739</u>
Net incoming/(outgoing) resources for the year	-	21,942	21,942	(5,934)
Prior year adjustments	-	-	-	-
Total funds brought forward	-	70,357	70,357	76,291
Total funds carried forward	<u>-</u>	<u>92,299</u>	<u>92,299</u>	<u>70,357</u>

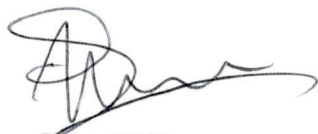
All activities derive from continuing operations.

The notes on page 7 to 12 form an integral part of these financial statements.

Balance sheet
as at 30 April 2021

	<i>Note</i>	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	4		99,584		97,505
			<u>99,584</u>		<u>97,505</u>
Current assets					
Debtors	5	10,000		10,000	
Cash at bank and in hand		41,485		21,601	
		<u>51,485</u>		<u>31,602</u>	
Creditors: amounts falling due within one year	7		<u>(379)</u>		<u>(358)</u>
Net current assets			<u>51,107</u>		<u>31,244</u>
Net assets			<u><u>150,690</u></u>		<u><u>128,749</u></u>
Accumulated funds					
Unrestricted income funds			<u>150,690</u>		<u>128,749</u>
Total funds			<u><u>150,690</u></u>		<u><u>128,749</u></u>

The financial statements were approved by the trustees on 23 February 2022 and signed on its behalf by;



Qaiser Malik
Chairman & Trustee

Notes (Forming part of the financial statements)

1. Accounting policies

Charity information

Al Arqam is a registered charity in England and Wales and is unincorporated. The registered office is 10 Memorial Road, Luton, Bedfordshire, LU3 2QU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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)". 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of 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.

COVID-19

Just before the end of the 2020 accounting year the COVID-19 pandemic spread throughout the World affecting all aspects of daily life. The Trustees considered the impact this might have on the affairs of the charitable company during FY21, revising operational and financial plans for the year ahead accordingly.

The Trustees regularly review the impact of the pandemic on the charity and its finances. They regularly reforecast income, which is monitored regularly, with the flexibility necessary to manage the charitable activities.

1.3 Incoming resources & outgoing expenditures

All income received is included with in the statement of financial activities which can be quantified with reasonable accuracy. The income is received by way of subscriptions, donations and fundraising activities and is included in full in the statement of financial activities when received.

The expenses are recognised on a cash basis as and when incurred. These include any vat which cannot be fully recovered and reported as part of the expenses which they relate. The charitable expenditures comprise those costs incurred by the charity in delivering those services & activities for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support such activities.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows;

Land and buildings	-	No depreciation is charged on building
Motor vehicles	-	25% reducing balance
Plant and machinery	-	10% straight line basis

The charity owns freehold building in partnership with the Mediterranean Estates Limited in which Al Arqam owns 40% since 2014.

Notes (Forming part of the financial statements)

1.5 Donations and subscriptions

Donations represent amounts received from general community members and volunteers and subscriptions represent amounts received from students for learning Quran and Islamic education during the year.

1.6 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.

1.7 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 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.

Notes (Forming part of the financial statements)

2- Donations and subscriptions

In and around Luton area

	2021 £	2020 £
Subscriptions from students	153,471	201,315
Donations received	1,225	2,490
	<u>154,696</u>	<u>203,805</u>

3- Staff numbers and costs

	2021	2020
Staff	<u>19</u>	<u>18</u>

The aggregate payroll costs of these persons were as follows:

	2,021 £	2,020 £
Wages and salaries	150,116	149,304
Social security costs	1,666	3,395
Other pension costs	1,848	2,288
	<u>153,631</u>	<u>154,987</u>

4- Tangible fixed assets

	Land and buildings £	Motor vehicles £	Plant and Machinery £	Total £
Cost or valuation				
as at 1 May 2020	91,599	14,000	-	105,599
Additions during the year	-	-	3,950	3,950
Disposal during the year	-	-	-	-
as at 30 April 2021	<u>91,599</u>	<u>14,000</u>	<u>3,950</u>	<u>109,549</u>
Depreciation				
as at 1 May 2020	-	8,094	-	8,094
Charge for the year	-	1,476.56	395.00	1,872
Disposal during the year	-	-	-	-
as at 30 April 2021	<u>-</u>	<u>9,570</u>	<u>395</u>	<u>9,965</u>
Net book values				
as at 30 April 2021	<u>91,599</u>	<u>4,430</u>	<u>3,555</u>	<u>99,584</u>
as at 30 April 2020	<u>91,599</u>	<u>5,906</u>	<u>-</u>	<u>97,505</u>

The charity owns freehold building in partnership with the Mediterranean Estates Limited in which Al Arqam owns 40% since 2014.

Notes (Forming part of the financial statements)

5- Debtors

	2021	2020
	£	£
Related party debtors	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

6- Related party transactions

	2021	2020
	£	£
Amount due from related party at the balance sheet date	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

During the year ended 30 April 2017 Al Arqam paid £10,000 loan to a 3rd party on behalf of Mediterranean Estates Limited who is the related party of the charity. Al Arqam owns 40% building purchased by Mediterranean Estates Limited in 2014.

6- Creditors

	2021	2020
	£	£
Taxes and social security	379	358
	<u>379</u>	<u>358</u>

Detailed statement of financial activities
for the year ended 30 April 2021

	Year	Year
	2,021	2,020
	£	£
Income		
Subscriptions	153,471	201,315
Donations	1,225	2,490
Government grants	58,724	-
	<u>213,420</u>	<u>203,805</u>
Expenditures		
Wages and salaries	150,116	149,304
Employers' NI contributions	1,666	3,395
Employers pension contributions	1,848	2,288
Rent, rates and insurance	17,937	28,897
Repairs and maintenance	663	3,226
Motor and travel	2,104	3,446
Subsistence costs	480	2,077
Printing and stationery	159	1,634
Telephone and internet	1,220	1,249
Computer running costs	413	462
Accounting charges	1,500	1,500
Gas and electricity	2,789	2,230
Water rates	382	432
Cleaning charges	6,600	4,500
Bank charges	129	79
Charitable donations	1,224	2,104
Depreciation charges	1,872	1,969
Sundry expenses	377	946
Total expenses	<u>191,479</u>	<u>209,738</u>
Net income/(loss) for the period	<u>21,942</u>	<u>(5,933)</u>

This page does not form part of the financial statements.