

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

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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.

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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.

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.

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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

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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.

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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

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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

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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

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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>
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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

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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

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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.

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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	195,991	-	195,991	213,420

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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 Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total 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

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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 Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total 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 Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total 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 Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total 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