

AL ARQAM

**Trustees' Report
And
Financial Statements**

**For The Year End
30 April 2024**



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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 Monirul 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.



Mr Qaiser Malik
Chair & Trustee

FOR THE YEAR ENDED
30 APRIL 2024

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

	Total funds 2024	Total funds 2023
Analysis	£	£
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

	Total funds 2024	Total funds 2023
Analysis	£	£
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
	<u>1,060.60</u>	<u>1,060.60</u>	<u>1,151.00</u>

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
	<u>9,366.06</u>	<u>8,606.00</u>

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
	<u>1,914.98</u>	<u>2,368.00</u>

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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