

Al Huda Welfare Foundation UK
Company Limited by Guarantee
Unaudited Financial Statements
31 July 2024

TAX DIRECT LIMITED

Chartered accountants
205 Ley Street
Ilford
Essex
IG1 4BL

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Financial Statements

Year ended 31 July 2024

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Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 July 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2024.

Chair's report

Report of the trustees (incorporating the directors' report) for the year ended 1 August 2023- 31st July 2024 Al Huda Welfare Foundation UK, during the year we undertook various activities and endeavours to enrich the lives of people within the community and society as a whole.

Reference and administrative details

Registered charity name Al Huda Welfare Foundation UK

Charity registration number 1137776

Company registration number 06950828

Principal office and registered office 205 Ley Street
Ilford
Essex
IG1 4BL

The trustees

Mrs Sarodia
Mrs Chughtai

Accountants

Tax Direct Limited
Chartered accountants
205 Ley Street
Ilford
Essex
IG1 4BL

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Structure, governance and management

A number of educational projects were initiated to help people understand the spirit of Islamic Principles and how to integrate them in one's life without upsetting the balance of the society around oneself, but rather being an agent of change to bring about a positive influence and coherent understanding of tolerance and cooperation. Educational endeavours undertaken were:

The immense demand and popularity of Al Huda Welfare Foundation UK's Quran Literacy project, from the previous years, propelled Al Huda to further expand its project. This expansion has enabled us to reach even more members of the community and help change and mould their lives. The following courses were conducted:-

Urdu Courses

- " Taleem al Quran Batch 4 (weekdays)
- " Taleem al Quran Online Batch 1 (weekdays).
- " Taleem al Hadith Batch 3
- " Tahfeem al Quran Batch 1
- " Tahfeem al Quran Batch 1 Leyton class
- " Tazkheer of the Quran- Every Monday
- " Qaida for Beginners - Every Thursday 10 week course
- " Tilawat Al Quran - 8 sessions
- " Seerat ul Rasool

English Courses

- " Taleem Al Quran English Batch 1 - Completion Ceremony on 15th December 2022"
- " Taleem Al Quran English Batch 2 (Weekdays)
- " Taleem Al Quran English Batch 1 (Weekend) Now online
- " Taleem Al Hadith English Batch 1 -(Mondays) Exploring the beautiful role of the Prophet (peace by upon Him)
- " Al Huda Weekend School (AWIS) for children aged between 5 - 10 and 11" Hifdh classes for boys- Evenings
- " Tafheem Al Quran (Weekends) for teenage girls and young adults
- " Pinnacles of the Quran (weekdays)
- " Al Huda Miftah al Quran (AMQ) (evenings weekdays) for boys and girls and now also on Sunday mornings " Read and write Qidah class for women (Sundays)]
- " Quran Recitation and reflections - Every Saturdays 8 sessions.
- " Summer Boost for Youths
- " Revert Sisters Circles
- " Qaida for beginners - Thursdays
- " Qaida in English - (Thursdays) on campus and online

Along with all preparations for different courses we also held frequent Staff training and IT training.

Taleem Al Quran - a complete Quran course, consisting of explanation of the Quran, learning to read the Arabic text of the Quran with its pronunciation rules, learning to recite selected prayers, selected subjects of rulings of the five pillars of Islam such as how to perform ablution, how to pray, rules on how to pay charity, how to perform Hajj and Umrah. Etc, Arabic Grammar as a subject.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Fahm Al Quran - a complete course consisting of brief explanation of the Quran, brief Tajweed (rules in pronunciation of the Quran), selected prayers. Saut al Quran - completion course, with explanation of the Quran, Tajweed, Arabic Grammar. Tajweed - Reciting with the correct pronunciation of the Arabic letters and words delivered in English.

Youth & Special Events

" How to Pray - Term Break workshop for girls regarding the importance of Salah" Clarifications on Purification - free session for sisters and teenage girls" Zakat (Giving Charity) workshop delivered in English and Urdu

" Ramadan Preparation 2 days' workshop delivered in English and Urdu on zoom" Ramadan Dawra-e-Quran (listening to the translation of the entire Quran) in English and Urdu on zoom. " Quran and Hadith Journaling - Ramadan special workshop" Welcome Ramadan Urdu/English short workshop

" Umrah and Hajj Training workshops delivered in English and Urdu on zoom" Special Awareness event conducted by Redbridge Police - how to keep safe for young girls/women" Stores of the Quran - urdu session

" 10 days of Duas - last 10 days of Ramadan special session

" Ramadan recitation classes

" Summer Courses for the Youth including art activities

" Bathing and Shrouding of the Deceased

" Virtues of the month of Muharram

" Pyschodynamic Counselling

" Focus sessions for South Asian Women

" Metropolitan police interaction - different subjects covered

" Special guests speaker Nighat Hashmi - parenting in the light of Quran and Sunnah" Heroes of Faith - young boys and girls special session

" Winter holiday programme - Salahuddin al Ayyaubi

" Special guest speaker Hisham Al Hadi - appreciating the beauty of Arabic language, unlocking the themes of the Quran " Special guest speaker Umarrah Javed al Hadi - prophetic virtues and habits

The above courses have enabled us to enrich the lives of adult women and young girls by inculcating in them the essence of morality and ethics of living within a society. The result of this is geared towards homogenisation of women within society, keeping in view of their rights within Islam and obligations both towards society and the creator. All educational books and resources are provided by Alhuda Welfare Foundation UK to all students.

Social Welfare Department

Al Huda Welfare Foundation UK, social welfare department plays an active part in serving the community as well as the organisation itself. This department is managed by a senior member of Staff alongside a number of volunteers and other members of staff. All members of the team work very closely with the local authority and other organisational bodies in order to provide beneficial activities and social events not only to the Muslim community, Al Huda students, but also the local community in general. The aim of this department has been to aid the organisation and local community with social, moral and educational facilities. It plays an important part to support the organisation's funding department by organising regular fundraising events. Aim:

The primary aims are to create good relationship and enhance the community spirit, not just amongst

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Muslims but also the wider community network.

Objectives:

" To build relationship and strengthen the ties with neighbours and the local authorities." To support the organisation and raise funds

" To support local and leading charities with fund raising

" To bring the community together, by offering free events, services and distributing gifts on special occasions " To raise awareness of Islamic culture and teachings through depicting positive illustrations within the society " New Muslim Sisters

" Eid Charity Mela (bazaar)

" Food bank

" Social Welfare

" Coffee Mornings - First Friday of the Month

" Homeless Food and Clothing Project

" Al Huda Scouts - 3rd Chadwell Heath - Every Fridays

Food Bank

We collaborated with a local charity to establish a food bank. Every month, a member of food bank collects food from our premises for the deprived members of the community, which had been donated through our students and friends. Our aim is to promote charity in a way to make society healthy and to provide support for those in need. This help builds a trust and relationship in the community. We also held our own Food Bank on our premises every Sundays giving out free tinned/boxed food donations which was much in demand due to the pandemic.

Other Facilities

We provide a Prayer Hall facility whereby Muslim men/women are able to offer their daily prayers together with Ramadan and Eid prayers. The prayer hall is available for prayer access 15 minutes before prayer time and closes 15 minutes after prayer time.

" Funds were raised for refurbishment of certain areas in the building" Funds were also raised for the basement area where we had a water leak

Conclusion

Social Welfare department is working in partnership with other sectors internally and externally, to provide more services and serve the community at large. We are trying to improve on our current services and are introducing new projects such as fitness classes, counselling sessions, IT classes by professionals and more English Language classes in the near future. As an organisation it is our duty to establish an anti-discriminatory practice and provide access to the whole community regardless of their colour, creed and religion. At the same time, pass on our deen and carry out dawah work to bring Muslims closer to the deen and portray positive role models for non-believing society, to get them out of a mindset of stereotypes of Muslims portrayed by the media, instead show them what are the correct teachings of our deen. As the mission of our organisation is to deliver Quran in every heart and

Al Huda Welfare Foundation UK

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

every hand. The organisation was unable to conduct many of their Social Welfare

The above courses have enabled us to enrich the lives of adult women and young girls by inculcating in them the essence of morality and ethics of living within a society. The result of this is geared towards homogenisation of women within society, keeping in view of their rights within Islam and obligations both towards society and the creator.

This report was compiled on 8th April 2025

Objectives and activities

Objectives:

- " To build relationship and strengthen the ties with neighbours and the local authorities." To support the organisation and raise funds
- " To support local and leading charities with fund raising
- " To bring the community together, by offering free events, services and distributing gifts on special occasions "
- " To raise awareness of Islamic culture and teachings through depicting positive illustrations within the society "
- " New Muslim Sisters
- " Eid Charity Mela (bazaar)
- " Food bank
- " Social Welfare
- " Coffee Mornings - First Friday of the Month
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- " Al Huda Scouts - 3rd Chadwell Heath - Every Fridays

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Strategic report

The immense demand and popularity of Al Huda Welfare Foundation UK's Quran Literacy project, from the previous years, propelled Al Huda to further expand its project. This expansion has enabled us to reach even more members of the community and help change and mould their lives. The following courses were conducted:-

Urdu Courses

- " Taleem al Quran Batch 4 (weekdays)
- " Taleem al Quran Online Batch 1 (weekdays)
- " Taleem al Hadith Batch 3
- " Tahfeem al Quran Batch 1
- " Tahfeem al Quran Batch 1 Leyton class
- " Tazkheer of the Quran- Every Monday
- " Qaida for Beginners - Every Thursday 10 week course
- " Istigfaar ke barakat - 5 week week course

English Courses

- " Taleem Al Quran English Batch 1 - Completion Ceremony on 15th December 2022" Taleem Al Quran English Batch 2 (Weekdays)
- " Taleem Al Quran English Batch 1 (Weekend) Now online
- " Taleem Al Hadith English Batch 1 -(Mondays) Exploring the beautiful role of the Prophet (peace by upon Him)
- " Al Huda Weekend School (AWIS) for children aged between 5 - 10 and 11" Hifdh classes for boys- Evenings
- " Tafheem Al Quran (Weekends) for teenage girls and young adults
- " Pinnacles of the Quran (weekdays)
- " Al Huda Miftah al Quran (AMQ) (evenings weekdays) for boys and girls
- " Read and write Qidah class for women (Sundays)]
- " Quran Recitation and reflections - Every Tuesday 3 month course
- " Summer Boost for Youths
- " Revert Sisters Circles
- " Qaida in English - (Thursdays)

Along with all preparations for different courses we also held frequent Staff training and IT training.

FOR MEN

- " Arabic Language courses 3 months programme
- " The Foundations of Faith - Every Sunday
- " Reflections on Al Quran - Every Monday

Taleem Al Quran - a complete Quran course, consisting of explanation of the Quran, learning to read the Arabic text of the Quran with its pronunciation rules, learning to recite selected prayers, selected subjects of rulings of the five pillars of Islam such as how to perform ablution, how to pray, rules on how to pay charity, how to perform Hajj and Umrah. Etc, Arabic Grammar as a subject.

Fahm Al Quran - a complete course consisting of brief explanation of the Quran, brief Tajweed (rules in pronunciation of the Quran), selected prayers. Saut al Quran - completion course, with explanation of the Quran, Tajweed, Arabic Grammar. Tajweed - Reciting with the correct pronunciation of the Arabic letters and words delivered in English.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Youth & Special Events

" How to Pray - Term Break workshop for girls regarding the importance of Salah" Cleanliness is half of Faith - free session for sisters and teenage girls" Zakat (Giving Charity) workshop delivered in English and Urdu

" Ramadan Preparation 2 days' workshop delivered in English and Urdu on zoom" Ramadan Dawra-e-Quran (listening to the translation of the entire Quran) in English and Urdu on zoom " Quran and Hadith Journaling - Ramadan special workshop

" Welcome Ramadan Urdu/English short workshop

" Hajj Training workshops delivered in English and Urdu on zoom

" Special Awareness event conducted by Redbridge Police - how to keep safe for young girls/women"

Summer Courses for the Youth including art activities

" Eid in the Park - Celebrations of Eid in Barley Lane Park

" Workshop how to deal with the trials and tribulations in the light of the Quran and Sunnah (urdu)

" Quran ki Moti - Urdu session for sisters

" Free session of Wing Chun - martial art

" Carrying Our Muslim Identity With Love in the Western World - Special Session" Man UP! - Session for boys learning about life changes growing up and how to cope with them from an Islamic Perspective " RSE Conference 2022 Redbridge - Our Children Our Say! Held on Saturday 5th November 2022

The above courses have enabled us to enrich the lives of adult women and young girls by inculcating in them the essence of morality and ethics of living within a society. The result of this is geared towards homogenisation of women within society, keeping in view of their rights within Islam and obligations both towards society and the creator. All educational books and resources are provided by Alhuda Welfare Foundation UK to all students.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Achievements and performance

A number of educational projects were initiated to help people understand the spirit of Islamic Principles and how to integrate them in one's life without upsetting the balance of the society around oneself, but rather being an agent of change to bring about a positive influence and coherent understanding of tolerance and cooperation. Educational endeavours undertaken were:

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Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

in pronunciation of the Quran), selected prayers. Saut al Quran - completion course, with explanation of the Quran, Tajweed, Arabic Grammar. Tajweed - Reciting with the correct pronunciation of the Arabic letters and words delivered in English.

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Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Objectives:

" To build relationship and strengthen the ties with neighbours and the local authorities." To support the organisation and raise funds

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" Funds were raised for refurbishment of certain areas in the building" Funds were also raised for the basement area where we had a water leak

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2024

Financial review

Al Huda Welfare Foundation UK, social welfare department plays an active part in serving the community as well as the organisation itself. This department is managed by a senior member of Staff alongside a number of volunteers and other members of staff. All members of the team work very closely with the local authority and other organisational bodies in order to provide beneficial activities and social events not only to the Muslim community, Al Huda students, but also the local community in general. The aim of this department has been to aid the organisation and local community with social, moral and educational facilities. It plays an important part to support the organisation's funding department by organising regular fundraising events. Aim:

The primary aims are to create good relationship and enhance the community spirit, not just amongst Muslims but also the wider community network.

The trustees' annual report and the strategic report were approved on 11 May 2025 and signed on behalf of the board of trustees by:

Mrs Sarodia
Trustee

Mrs Chughtai
Trustee

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Report to the Board of Trustees on the Preparation of the Unaudited Statutory Financial Statements of Al Huda Welfare Foundation UK

Year ended 31 July 2024

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Al Huda Welfare Foundation UK for the year ended 31 July 2024, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html.

Our work has been undertaken in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/tf-163-jan-24.pdf.

TAX DIRECT LIMITED
Chartered accountants

205 Ley Street
Ilford
Essex
IG1 4BL

11 May 2025

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 July 2024

		2024		2023
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	5	586,897	586,897	544,198
Total income		<u>586,897</u>	<u>586,897</u>	<u>544,198</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	606,225	606,225	519,026
Total expenditure		<u>606,225</u>	<u>606,225</u>	<u>519,026</u>
Net (expenditure)/income and net movement in funds		<u>(19,328)</u>	<u>(19,328)</u>	<u>25,172</u>
Reconciliation of funds				
Total funds brought forward		800,969	800,969	775,797
Total funds carried forward		<u>781,641</u>	<u>781,641</u>	<u>800,969</u>

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

The notes on pages 15 to 22 form part of these financial statements.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Statement of Financial Position

31 July 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	10	530,415	535,729
Current assets			
Debtors	11	67,222	61,263
Cash at bank and in hand		203,969	207,577
		<u>271,191</u>	<u>268,840</u>
Creditors: amounts falling due within one year	12	19,965	3,600
Net current assets		<u>251,226</u>	<u>265,240</u>
Total assets less current liabilities		<u>781,641</u>	<u>800,969</u>
Net assets		<u>781,641</u>	<u>800,969</u>
Funds of the charity			
Unrestricted funds		781,641	800,969
Total charity funds	14	<u>781,641</u>	<u>800,969</u>

For the year ending 31 July 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 11 May 2025, and are signed on behalf of the board by:

Mrs Sarodia
Trustee

Mrs Chughtai
Trustee

The notes on pages 15 to 22 form part of these financial statements.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 July 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 205 Ley Street, Ilford, Essex, IG1 4BL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company.

(b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	Straight line 20 over years
Fixtures and fittings	-	20% reducing balance
Equipment	-	20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Enter your own text here to describe the nature of the guarantee of members including liability of members in case of winding up.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations and Legacies	235,730	235,730	267,199	267,199
Legacies				
Books income	–	–	11,676	11,676
Taleem-e-Deen	351,167	351,167	265,323	265,323
	<u>586,897</u>	<u>586,897</u>	<u>544,198</u>	<u>544,198</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies				
- Donations	142,300	142,300	105,316	105,316
Costs of raising donations	463,925	463,925	413,710	413,710
	<u>606,225</u>	<u>606,225</u>	<u>519,026</u>	<u>519,026</u>

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

7. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	<u>66,437</u>	<u>68,038</u>

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	398,360	296,203
Employer contributions to pension plans	<u>3,775</u>	<u>616</u>
	<u>402,135</u>	<u>296,819</u>

The average head count of employees during the year was 70 (2023: 48). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Teaching Staff	20	14
Teaching support	28	12
Admin Staff	12	12
Caretakers	7	7
Senior Staff	<u>3</u>	<u>3</u>
	<u>70</u>	<u>48</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

9. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 August 2023	830,214	216,859	8,373	1,055,446
Additions	59,025	–	2,098	61,123
At 31 July 2024	<u>889,239</u>	<u>216,859</u>	<u>10,471</u>	<u>1,116,569</u>
Depreciation				
At 1 August 2023	402,265	112,629	4,823	519,717
Charge for the year	44,462	20,846	1,129	66,437
At 31 July 2024	<u>446,727</u>	<u>133,475</u>	<u>5,952</u>	<u>586,154</u>
Carrying amount				
At 31 July 2024	<u>442,512</u>	<u>83,384</u>	<u>4,519</u>	<u>530,415</u>
At 31 July 2023	<u>427,949</u>	<u>104,230</u>	<u>3,550</u>	<u>535,729</u>

11. Debtors

	2024 £	2023 £
Other debtors	<u>67,222</u>	<u>61,263</u>

12. Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	12,297	3,600
Social security and other taxes	7,668	–
	<u>19,965</u>	<u>3,600</u>

13. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,775 (2023: £616).

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2024

14. Analysis of charitable funds

Unrestricted funds

	At 1 August 2023	Income £	Expenditure £	At 31 July 2024 £
General funds	800,969	586,897	(606,225)	781,641

	At 1 August 2022	Income £	Expenditure £	At 31 July 2023 £
General funds	775,797	544,198	(519,026)	800,969

15. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	530,415	530,415
Current assets	271,191	271,191
Creditors less than 1 year	(19,965)	(19,965)
Net assets	781,641	781,641

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	535,729	535,729
Current assets	267,040	267,040
Creditors less than 1 year	(1,800)	(1,800)
Net assets	800,969	800,969

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Management Information

Year ended 31 July 2024

The following pages do not form part of the financial statements.

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 July 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations and Legacies	235,730	267,199
Books income	–	11,676
Taleem-e-Deen	351,167	265,323
	<u>586,897</u>	<u>544,198</u>
Total income	<u>586,897</u>	<u>544,198</u>
Expenditure		
Costs of raising donations and legacies		
Wages and salaries	398,360	296,203
Pension costs	3,775	616
Rent	11,404	12,046
Rates and water	7,180	6,698
Light and heat	9,253	6,895
Repairs and maintenance	9,907	49,843
Insurance	4,997	984
Other motor/travel costs	–	995
Legal and professional fees	2,400	1,800
Telephone	1,424	1,183
Other office costs	80,995	66,681
Depreciation	66,437	68,037
DetailedSOFAExpenditureOnRaisingDonationsType1H	200	–
DetailedSOFAExpenditureOnRaisingDonationsType2H	6,238	4,199
DetailedSOFAExpenditureOnRaisingDonationsType3H	3,655	2,846
	<u>606,225</u>	<u>519,026</u>
Total expenditure	<u>606,225</u>	<u>519,026</u>
Net (expenditure)/income	<u>(19,328)</u>	<u>25,172</u>

Al Huda Welfare Foundation UK

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 July 2024

	2024 £	2023 £
Costs of raising donations and legacies		
Costs of raising donations and legacies - Donations		
Donations - pension costs	3,775	616
Donations - rates & water	530	—
Donations - light & heat	9,253	6,895
Donations - repairs & maintenance	9,907	17,658
Donations - insurance	4,997	984
Donations - other motor/travel costs	—	995
Donations - Accountancy fee	2,400	1,800
Donations - telephone	1,424	1,183
Donations - other office costs	39,042	7,148
Donations - depreciation	66,437	68,037
Donations - Staff Casual Wages	200	—
Donations - other type 2	4,059	—
Donations - other type 3	276	—
	<u>142,300</u>	<u>105,316</u>
 Costs of raising donations		
Taleem-e-Deen - wages and salaries	398,360	296,203
Taleem-e-Deen - rent	11,404	12,046
Taleem-e-Deen - rates & water	6,650	6,698
Legacies - repairs & maintenance	—	32,185
Taleem-e-Deen - other office costs	41,953	59,533
Taleem-e-Deen - Printing Postage and Stationery	2,179	4,199
Taleem-e-Deen -Bank Charges	3,379	2,846
	<u>463,925</u>	<u>413,710</u>
 Costs of raising donations and legacies	<u>606,225</u>	<u>519,026</u>