

Khatam Alnabaeen Limited

Charity No. 1168024

Company No. 08404576

Trustees' Report and Unaudited Accounts

29 February 2024

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 29 February 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 08404576

Charity No. 1168024

Principal Office

Unit 6

Wellesly Court

Apsley Way

London

NW2 7HF

Registered Office

Suite G1

Harstbourne House

Delta Gain

Watford

WD19 5EF

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

S.F. Hosseini-Milani (Resigned 2 September 2024)

M.E. Mesbahi

S.E. Shahrestani

Accountants

Sabat Accountants Ltd t/a Seymour King

Suite G1

Hartsbourne House

Delta Gain

Watford

WD19 5EF

OBJECTIVES AND ACTIVITIES

The purpose of the charity is promotion of racial and religious harmony through education. In shaping our objectives and activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The activities undertaken by the charity to promote its objectives and aims are stated below.

The activities undertaken by the charity to promote its objectives and aims are as follows;

1- Theology Courses

2- Mental Health Courses

3- Conferences

4- Inter-faith and intra-faith conferences

5- Round table weekend discussions

ACHIEVEMENTS AND PERFORMANCE

1. Theology Course: Term one started on 6th March 2023 and continued until 4th August 2023. The second term began on the 18th September 2023 and was concluded on the 1st March 2024.

2. Successful Marriage courses: these are series of courses run periodically in order to facilitate an environment for couples who have are in the first 5 years of their relationship and also the ones who are thinking of starting a relationship.

3. 12 weeks course on contemporary issues starting on 16th October 2023. The subjects covered included: Crypto-currency, Insurance and Assurance, Assisted dying, Gender related matters and many more.

4. After a previously proven success, for the second year, series of Mental Health Courses where administered covering:

- The preachers, improvising them with the most updated scientific and social approaches to contemporary matters.

- The general members of the community, involving workshops and discussion in order to bring better understanding of the mental health issues surrounding them and their loved ones.

- Also covering the topic of losing a dear family member.

5. As an annual event, in co-ordination with the Centre for Muslim-Christian Studies in Oxford, a full summer break course of interfaith and intra-faith has been organised and managed.

FINANCIAL REVIEW

During the year under review the charity received unrestricted income of £27,000 (2023: £82,170) and restricted income of £45,292 (2023: £50,855) and had an expenditure of £95,856 (2023: £107,494) and £10,420 (2023: £30,941) for unrestricted and restricted expenditure respectively. At the balance sheet date the charity held unrestricted and restricted funds of £314,549 (2023: £381,655) and £187,685 (2023: £152,813) respectively.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months running costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds maybe raised. Based on this policy the reserves to be held are between £23,800 and £47,500. At the end of the year, the charity had unrestricted reserve fund of £314,549.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee and is controlled by its Memorandum and Articles of Association dated 15 February 2013 as amended by special resolution dated 19 February 2016 and 27 June 2016.

The charity may appoint any person who is willing to become a director/trustee.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with the applicable law and United Kingdom's accounting standards (United Kingdom's generally accepted accounting practice).

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

1. Select suitable Accounting policies and apply them consistently;
2. Observe the methods and principles in the Charities Statement of Recommended Practice;
3. Make judgements and estimates that are reasonable and prudent;
4. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
5. Prepare the financial statements on the going concern basis unless its inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

M.E. Mesbahi
Trustee
25 November 2024

Independent Examiner's Report to the trustees of Khatam Alnabaeen Limited

I report to the charity trustees on my examination of the financial statements of Khatam Alnabaeen Limited for the year ended 29 February 2024.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Sajjad B Tejani FCCA
Sabat Accountants Ltd t/a Seymour King
Suite G1
Hartsbourne House
Delta Gain
Watford
WD19 5EF
25 November 2024

Khatam Alnabaeen Limited
Statement of Financial Activities
for the year ended 29 February 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and legacies	4	27,000	45,292	72,292	127,226
Investments	5	-	-	-	149
Other	6	1,750	-	1,750	5,650
Total		28,750	45,292	74,042	133,025
Expenditure on:					
Charitable activities	7	848	10,420	11,268	31,191
Other	8	95,008	-	95,008	117,244
Total		95,856	10,420	106,276	148,435
Net gains on investments		-	-	-	-
Net expenditure	9	(67,106)	34,872	(32,234)	(15,410)
Transfers between funds		-	-	-	-
Net expenditure before other gains/(losses)		(67,106)	34,872	(32,234)	(15,410)
Other gains and losses					
Net movement in funds		(67,106)	34,872	(32,234)	(15,410)
Reconciliation of funds:					
Total funds brought forward		381,655	152,813	534,468	549,878
Total funds carried forward		314,549	187,685	502,234	534,468

Khatam Alnabaeen Limited
Summary Income and Expenditure Account
for the year ended 29 February 2024

	2024 £	2023 £
Income	74,042	132,876
Interest and investment income	-	149
Gross income for the year	<u>74,042</u>	<u>133,025</u>
Expenditure	91,889	134,086
Depreciation and charges for impairment of fixed assets	14,387	14,349
Total expenditure for the year	<u>106,276</u>	<u>148,435</u>
Net expenditure before tax for the year	<u>(32,234)</u>	<u>(15,410)</u>
Net expenditure for the year	<u><u>(32,234)</u></u>	<u><u>(15,410)</u></u>

Khatam Alnabaeen Limited

Balance Sheet

at 29 February 2024

Company No. 08404576	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	12	617,340	631,727
		<u>617,340</u>	<u>631,727</u>
Current assets			
Debtors	13	2,739	7,543
Cash at bank and in hand		15,315	28,880
		<u>18,054</u>	<u>36,423</u>
Creditors: Amount falling due within one year	14	(2,660)	(3,182)
Net current assets		<u>15,394</u>	<u>33,241</u>
Total assets less current liabilities		632,734	664,968
Creditors: Amounts falling due after more than one year	15	(130,500)	(130,500)
Net assets excluding pension asset or liability		<u>502,234</u>	<u>534,468</u>
Total net assets		<u><u>502,234</u></u>	<u><u>534,468</u></u>
The funds of the charity			
Restricted funds	16		
Restricted income funds		187,685	152,813
		<u>187,685</u>	<u>152,813</u>
Unrestricted funds	16		
General funds		314,549	381,655
		<u>314,549</u>	<u>381,655</u>
Reserves	16		
Total funds		<u><u>502,234</u></u>	<u><u>534,468</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 29 February 2024 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 25 November 2024

And signed on its behalf by:

M.E. Mesbahi

Trustee

25 November 2024

Khatam Alnabaeen Limited
Statement of Cash flows
for the year ended 29 February 2024

	2024 £	2023 £
Cash flows from operating activities		
Net expenditure per Statement of Financial Activities	(32,234)	(15,410)
Adjustments for:		
Depreciation of property, plant and equipment	14,387	14,349
Dividends, interest and rents from investments	(1,750)	(5,799)
Decrease/(Increase) in trade and other receivables	4,804	(6,351)
(Decrease)/Increase in trade and other payables	(522)	69
Net cash used in operating activities	<u>(15,315)</u>	<u>(13,142)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	1,750	5,799
Net cash from investing activities	<u>1,750</u>	<u>5,799</u>
Net cash from financing activities	<u>-</u>	<u>2,000</u>
Net decrease in cash and cash equivalents	(13,565)	(5,343)
Cash and cash equivalents at the beginning of the year	28,880	34,223
Cash and cash equivalents at the end of the year	<u>15,315</u>	<u>28,880</u>
Components of cash and cash equivalents		
Cash and bank balances	15,315	28,880
	<u>15,315</u>	<u>28,880</u>

for the year ended 29 February 2024

1 Accounting policies

Basis of preparation

The financial statements 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	2%% on cost
Fixture, fittings & equipment	20%% on cost

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	76,371	50,855	127,226
Investments	149	-	149
Other	5,650	-	5,650
Total	82,170	50,855	133,025
Expenditure on:			
Charitable activities	250	30,941	31,191
Other	117,244	-	117,244
Total	117,494	30,941	148,435
Net income	(35,324)	19,914	(15,410)
Net income before other gains/(losses)	(35,324)	19,914	(15,410)
Other gains and losses:			
Net movement in funds	(35,324)	19,914	(15,410)
Reconciliation of funds:			
Total funds brought forward	416,979	132,899	549,878
Total funds carried forward	381,655	152,813	534,468

4 Income from donations and legacies

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
General donation	27,000	-	27,000	76,371
Khums - Sehme Imam and Sehme Sadaat	-	4,292	4,292	-
Education	-	35,500	35,500	50,855
Healthcare	-	5,500	5,500	-
	<u>27,000</u>	<u>45,292</u>	<u>72,292</u>	<u>127,226</u>

5 Income from investments

	Total 2024	Total 2023
	£	£
Interest receivable	-	149
	<u>-</u>	<u>149</u>

6 Other income

	Unrestricted	Total 2024	Total 2023
	£	£	£
Gift Aid	1,750	1,750	5,650
	<u>1,750</u>	<u>1,750</u>	<u>5,650</u>

7 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Education	-	10,420	10,420	30,941
General donation	848	-	848	250
<i>Governance costs</i>				
	<u>848</u>	<u>10,420</u>	<u>11,268</u>	<u>31,191</u>

8 Other expenditure

	Unrestricted	Total 2024	Total 2023
	£	£	£
Employee costs	50,137	50,137	75,327
Motor and travel costs	-	-	204
Premises costs	10,628	10,628	9,072
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	14,387	14,387	14,349
General administrative costs	18,056	18,056	16,492
Legal and professional costs	1,800	1,800	1,800
	<u>95,008</u>	<u>95,008</u>	<u>117,244</u>

9 Net expenditure before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	14,387	14,349
Independent Examiner's fee	1,800	1,800

10 Trustee remuneration and expenses

	2024 Number	2023 Number
The nature of the reimbursed expenses	There was no trustees' remuneration or other benefits for the year ended 28 February 2024 nor for the year ended 28 February 2023.	

11 Staff costs

	2024	2023
Salaries and wages	49,120	73,830
Pension costs	1,017	1,497
	<u>50,137</u>	<u>75,327</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

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

12 Tangible fixed assets

	Land and buildings £	Fixture, fittings & equipment £	Total £
Cost or revaluation			
At 1 March 2023	686,332	28,079	714,411
At 29 February 2024	<u>686,332</u>	<u>28,079</u>	<u>714,411</u>
Depreciation and impairment			
At 1 March 2023	62,618	20,066	82,684
Depreciation charge for the year	9,227	5,160	14,387
At 29 February 2024	<u>71,845</u>	<u>25,226</u>	<u>97,071</u>
Net book values			
At 29 February 2024	<u>614,487</u>	<u>2,853</u>	<u>617,340</u>
At 28 February 2023	<u>623,714</u>	<u>8,013</u>	<u>631,727</u>
13 Debtors			
	2024		2023
	£		£
Other debtors	1,750		6,090
Prepayments and accrued income	989		1,453
	<u>2,739</u>		<u>7,543</u>
14 Creditors:			
amounts falling due within one year			
	2024		2023
	£		£
Trade creditors	130		122
Other taxes and social security	621		913
Other creditors	109		347
Accruals	1,800		1,800
	<u>2,660</u>		<u>3,182</u>

15 Creditors:

amounts falling due after more than one
year

	2024	2023
	£	£
Other loans	130,500	130,500
	<u>130,500</u>	<u>130,500</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable other than by instalments	130,500	130,500
	<u>130,500</u>	<u>130,500</u>

Included in the creditors falling due after more than one year is an amount of £103,500 (2023: £103,500) due to a trustee. The loan is interest free and no guarantees have been provided.

16 Movement in funds

	At 1 March 2023	Incoming resources (including other gains/losses) £	Resources expended £	At 29 February 2024 £
Restricted funds:				
Restricted income funds:				
Khums - Sehme Imam and Sadaat	8,252	4,292	-	12,544
Sadaqah	1,588	-	-	1,588
Khums - Sehme Imam	11,779	-	-	11,779
Education	129,423	35,500	(10,420)	154,503
Orphans	1,771	-	-	1,771
Healthcare	-	5,500	-	5,500
<i>Total</i>	<u>152,813</u>	<u>45,292</u>	<u>(10,420)</u>	<u>187,685</u>
Unrestricted funds:				
General funds	381,655	28,750	(95,856)	314,549
 Total funds	 <u>534,468</u>	 <u>74,042</u>	 <u>(106,276)</u>	 <u>502,234</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Khums - Sehme Imam and Sadaat	Funds received as obligatory religious payments, to be utilised in accordance to the teachings of the Islamic faith and at the discretion of the trustees.
Sadaqah	Donations received to be used for the poor and the needy.
Khums - Sehme Imam	Funds received as obligatory religious payments, to be utilised in accordance to the teachings of the Islamic faith and at the discretion of the trustees.
Education	Funds received as obligatory religious payments, to be utilised in accordance to the teachings of the Islamic faith and at the discretion of the trustees.
Orphans	This fund is used for the general well being of the orphans.
Healthcare	This fund is used for those in need of medical assistance and at the discretion of the trustees.

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	617,340	-	617,340
Net current assets	79	15,315	15,394
Creditors due in more than one year and provisions	(130,500)	-	(130,500)
	<u>486,919</u>	<u>15,315</u>	<u>502,234</u>

18 Reconciliation of net debt

	At 1 March 2023 £	Cash flows £	At 29 February 2024 £
Cash and cash equivalents	28,880	(13,565)	15,315
	<u>28,880</u>	<u>(13,565)</u>	<u>15,315</u>
Borrowings	(130,500)	-	(130,500)
	<u>(130,500)</u>	<u>-</u>	<u>(130,500)</u>
Net debt	<u>(101,620)</u>	<u>(13,565)</u>	<u>(115,185)</u>

19 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2024 Land and buildings £	2024 Other £	2023 Land and buildings £	2023 Other £
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Operating leases with expiry date:

Pension commitments

	2024 £	2023 £
The pension cost charge to the company amounted to:	<u>1,017</u>	<u>1,497</u>

20 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.