

AL-KARAM TRUST LIMITED

England & Wales · Charity number 1170665

Details

Status Registered

Legal form Charitable company

Company number [09970015](#)

Registered 2016-12-09

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

Contact

Address Eaton Hall
Retford
Nottinghamshire
DN22 0PR

Phone 01777706441

Activities

Objects: THE OBJECTS OF THE CHARITY ("THE OBJECTS") ARE, THROUGHOUT THE WORLD AND MORE PARTICULARLY IN THE UNITED KINGDOM, SPECIFICALLY RESTRICTED TO PROMOTING AND ASSISTING IN:(A) THE ADVANCEMENT OF THE FAITH AND RELIGIOUS PRACTICES OF ISLAM.(B) THE ADVANCEMENT OF GENERAL AND RELIGIOUS EDUCATION FOR THE PUBLIC BENEFIT CONCERNING THE TEACHINGS AND RELIGION OF ISLAM.(C) THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE- TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.(D) THE ADVANCEMENT OF RELIGIOUS HARMONY FOR THE BENEFIT OF THE PUBLIC BY:• EDUCATING THE PUBLIC IN DIFFERENT RELIGIOUS BELIEFS INCLUDING AN AWARENESS OF THEIR DISTINCTIVE FEATURES AND THEIR COMMON GROUND TO PROMOTE GOOD RELATIONS BETWEEN PERSONS OF DIFFERENT FAITHS;• PROMOTING KNOWLEDGE AND MUTUAL UNDERSTANDING AND RESPECT OF THE BELIEFS AND PRACTICES OF DIFFERENT RELIGIOUS FAITHS.(E) THE RELIEF OF FINANCIAL NEED AND SUFFERING AMONG VICTIMS OF NATURAL OR OTHER KINDS OF DISASTER IN THE FORM OF MONEY OR OTHER MEANS DEEMED SUITABLE FOR PERSONS, BODIES, ORGANISATIONS AND COUNTRIES AFFECTED.

Activities: Found in the Charity Objectives

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Disability, Religious Activities
- **Who:** People Of A Particular Ethnic Or Racial Origin, The General Public/mankind

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£96,011	£85,655	-	-
2024-08-31	£112,278	£94,483	-	-
2023-08-31	£96,304	£85,803	-	-
2022-08-31	£80,065	£56,183	-	-
2021-08-31	£51,355	£55,574	-	-
2020-08-31	£62,442	£63,563	-	-

Trustees

Name	Role	Appointed
MUHAMMED IMDAD HUSSAIN PIRZADA	Chair	2016-01-26
IMAM IFTIKHAR DAAD		2016-02-01
MOHAMMED IQBAL		2016-02-01

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

COMPANY REGISTRATION NUMBER: 09970015

CHARITY REGISTRATION NUMBER: 1170665

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2025

K B M UK LIMITED
Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2025

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2025

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 August 2025.

Reference and administrative details

Registered charity name AL-KARAM TRUST LIMITED

Charity registration number 1170665

Company registration number 09970015

Principal office and registered office Eaton Hall
Retford
Nottinghamshire
DN22 0PR

The trustees

Mr I Daad
Mr M Iqbal
Mr M I H Pirzada

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2025

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2025

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £80,411, which relates to unrestricted funds and there is no income related to restricted funds during the year.

Rental income earned during the year was £15,600.

The unrestricted income for the prior year was £98,238 and rental income was £14,040.

Achievements and performance

During the year, the charity continued to carry out its charitable objects through the regular provision of religious worship, Islamic education and community activities for the public benefit.

Daily prayers, Friday services, religious classes and faith-based educational programmes continued throughout the year, supporting the advancement of the Islamic faith and education. The charity also maintained and managed its premises to ensure that the mosque remained a safe and welcoming facility for worshippers and the wider community.

Despite ongoing financial pressures, the charity successfully raised sufficient funds to sustain its activities, maintain operations and continue delivering its projects and services in support of the local community.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2025

Financial review

The charity received sum of £80,411 in donations from various sources and rental income of £15,600.

Funds in deficit:

No funds (unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £105,124 at the balance sheet date.

Al-Karam Trust Limited runs a mosque in London from a leasehold property.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 16-5-2026 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2025

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2025.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 August 2025

		2025		2024
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	80,411	80,411	98,238
Other income	6	15,600	15,600	14,040
Total income		<u>96,011</u>	<u>96,011</u>	<u>112,278</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs	7	4,465	4,465	–
Expenditure on charitable activities	8,9	81,190	81,190	94,483
Total expenditure		<u>85,655</u>	<u>85,655</u>	<u>94,483</u>
Net income and net movement in funds		<u>10,356</u>	<u>10,356</u>	<u>17,795</u>
Reconciliation of funds				
Total funds brought forward		94,768	94,768	76,973
Total funds carried forward		<u>105,124</u>	<u>105,124</u>	<u>94,768</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 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2025

	Note	2025 £	£	2024 £
Fixed assets				
Tangible fixed assets	15		21,167	16,446
Current assets				
Debtors	16	382		–
Cash at bank and in hand		85,319		79,164
		85,701		79,164
Creditors: amounts falling due within one year	17	1,744		842
Net current assets			83,957	78,322
Total assets less current liabilities			105,124	94,768
Net assets			105,124	94,768
Funds of the charity				
Unrestricted funds			105,124	94,768
Total charity funds	19		105,124	94,768

For the year ending 31 August 2025 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 16-5-26, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2025

	2025 £	2024 £
Cash flows from operating activities		
Net income	10,356	17,795
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	7,056	5,482
Accrued expenses	786	–
<i>Changes in:</i>		
Trade and other debtors	(382)	–
Trade and other creditors	116	45
Cash generated from operations	<u>17,932</u>	<u>23,322</u>
Net cash from operating activities	<u>17,932</u>	<u>23,322</u>
Cash flows from investing activities		
Purchase of tangible assets	(11,777)	(12,214)
Net cash used in investing activities	<u>(11,777)</u>	<u>(12,214)</u>
Net increase in cash and cash equivalents	6,155	11,108
Cash and cash equivalents at beginning of year	79,164	68,056
Cash and cash equivalents at end of year	<u>85,319</u>	<u>79,164</u>

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 August 2025

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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Donations				
Donations and Friday collections	66,371	66,371	85,568	85,568
Students fee income	14,040	14,040	12,670	12,670
	<u>80,411</u>	<u>80,411</u>	<u>98,238</u>	<u>98,238</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

6. Other income

	Unrestricted Funds	Total Funds 2025	Unrestricted Funds	Total Funds 2024
	£	£	£	£
Other income - Rental income	15,600	15,600	14,040	14,040

7. Investment management costs

	Unrestricted Funds	Total Funds 2025	Unrestricted Funds	Total Funds 2024
	£	£	£	£
Agent fees and other charges	4,465	4,465	—	—

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2025	Unrestricted Funds	Total Funds 2024
	£	£	£	£
Charitable Activities	13,055	13,055	15,242	15,242
Support costs	68,135	68,135	79,241	79,241
	<u>81,190</u>	<u>81,190</u>	<u>94,483</u>	<u>94,483</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2025	Total fund 2024
	£	£	£	£
Charitable Activities	13,055	67,116	80,171	93,584
Governance costs	—	1,019	1,019	899
	<u>13,055</u>	<u>68,135</u>	<u>81,190</u>	<u>94,483</u>

10. Analysis of support costs

	2025	2024
	£	£
Wages & salaries	39,000	36,341
Pension costs	796	716
Rates & water	1,531	2,585
Light & heat	4,861	8,109
Repairs & maintenance	6,767	20,762
Insurance	1,449	1,677
Telephone	386	401
Other office costs	5,270	2,269
Depreciation	7,056	5,482
Governance costs	1,019	899
	<u>68,135</u>	<u>79,241</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

11. Net income

Net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	<u>7,056</u>	<u>5,482</u>

12. Independent examination fees

	2025	2024
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	<u>240</u>	<u>240</u>
	<u>480</u>	<u>480</u>

13. Staff costs

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

	2025	2024
	£	£
Wages and salaries	39,000	36,341
Employer contributions to pension plans	<u>796</u>	<u>716</u>
	<u>39,796</u>	<u>37,057</u>

The average head count of employees during the year was 2 (2024: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

14. Trustee remuneration and expenses

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

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

15. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 September 2024	20,517	18,194	38,711
Additions	<u>10,874</u>	<u>903</u>	11,777
At 31 August 2025	<u>31,391</u>	<u>19,097</u>	<u>50,488</u>
Depreciation			
At 1 September 2024	15,155	7,110	22,265
Charge for the year	<u>4,059</u>	<u>2,997</u>	7,056
At 31 August 2025	<u>19,214</u>	<u>10,107</u>	<u>29,321</u>
Carrying amount			
At 31 August 2025	<u>12,177</u>	<u>8,990</u>	<u>21,167</u>
At 31 August 2024	<u>5,362</u>	<u>11,084</u>	<u>16,446</u>

16. Debtors

	2025 £	2024 £
Prepayments and accrued income	<u>382</u>	<u>-</u>

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals and deferred income	<u>1,266</u>	<u>480</u>
Social security and other taxes	<u>478</u>	<u>362</u>
	<u>1,744</u>	<u>842</u>

18. 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 £796 (2024: £716).

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2025

19. Analysis of charitable funds

Unrestricted funds

	At 1 September 2024	Income £	Expenditure £	At 31 August 20 25 £
General funds	<u>94,768</u>	<u>96,011</u>	<u>(85,655)</u>	<u>105,124</u>

	At 1 September 2023	Income £	Expenditure £	At 31 August 20 24 £
General funds	<u>76,973</u>	<u>112,278</u>	<u>(94,483)</u>	<u>94,768</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2025 £
Tangible fixed assets	21,167	21,167
Current assets	85,701	85,701
Creditors less than 1 year	<u>(1,744)</u>	<u>(1,744)</u>
Net assets	<u>105,124</u>	<u>105,124</u>

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	16,447	16,447
Current assets	79,164	79,164
Creditors less than 1 year	<u>(843)</u>	<u>(843)</u>
Net assets	<u>94,768</u>	<u>94,768</u>

21. Analysis of changes in net debt

	At 1 Sep 2024 £	Cash flows £	At 31 Aug 2025 £
Cash at bank and in hand	<u>79,164</u>	<u>6,155</u>	<u>85,319</u>

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

COMPANY REGISTRATION NUMBER: 09970015

CHARITY REGISTRATION NUMBER: 1170665

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2024

K B M UK LIMITED
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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2024

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 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 August 2024.

Reference and administrative details

Registered charity name AL-KARAM TRUST LIMITED

Charity registration number 1170665

Company registration number 09970015

Principal office and registered office Eaton Hall
Retford
Nottinghamshire
DN22 0PR

The trustees

Mr I Daad

Mr M Iqbal

Mr M I H Pirzada

Mr R A Samdeni

(Retired 4 August 2024)

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2024

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2024

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths -
 - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £98,238 which relates to unrestricted funds and there is no income related to restricted funds during the year.

Rental income earned during the year was £14,040.

The unrestricted expenditure for 2023 was £94,843.

Achievements and performance

Financial review

The charity received sum of £98,238 in donations from various sources and rental income of £14,040.

Funds in deficit:

No funds(unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £94,768 at the balance sheet date.

Al-Karam Trust Limited runs a mosque in London from a leasehold property.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2024

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 9-4-25 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2024

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2024.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

KBM.

KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	98,238	98,238	87,629
Other income	6	14,040	14,040	8,675
Total income		<u>112,278</u>	<u>112,278</u>	<u>96,304</u>
Expenditure				
Expenditure on charitable activities	7,8	94,483	94,483	85,803
Total expenditure		<u>94,483</u>	<u>94,483</u>	<u>85,803</u>
Net income and net movement in funds		<u>17,795</u>	<u>17,795</u>	<u>10,501</u>
Reconciliation of funds				
Total funds brought forward		76,973	76,973	66,472
Total funds carried forward		<u>94,768</u>	<u>94,768</u>	<u>76,973</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 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2024

	Note	2024 £	£	2023 £
Fixed assets				
Tangible fixed assets	14		16,446	9,714
Current assets				
Cash at bank and in hand		79,164		68,056
Creditors: amounts falling due within one year	15	<u>842</u>		<u>797</u>
Net current assets			<u>78,322</u>	<u>67,259</u>
Total assets less current liabilities			<u>94,768</u>	<u>76,973</u>
Net assets			<u>94,768</u>	<u>76,973</u>
Funds of the charity				
Unrestricted funds			94,768	76,973
Total charity funds	17		<u>94,768</u>	<u>76,973</u>


For the year ending 31 August 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 29.08.2024, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net income	17,795	10,501
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	5,482	3,238
<i>Changes in:</i>		
Trade and other creditors	45	(30)
Cash generated from operations	<u>23,322</u>	<u>13,709</u>
Net cash from operating activities	<u>23,322</u>	<u>13,709</u>
Cash flows from investing activities		
Purchase of tangible assets	(12,214)	(4,423)
Net cash used in investing activities	<u>(12,214)</u>	<u>(4,423)</u>
Net increase in cash and cash equivalents	11,108	9,286
Cash and cash equivalents at beginning of year	68,056	58,770
Cash and cash equivalents at end of year	<u>79,164</u>	<u>68,056</u>

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations and Friday collections	85,568	85,568	73,084	73,084
Students fee income	12,670	12,670	14,545	14,545
	<u>98,238</u>	<u>98,238</u>	<u>87,629</u>	<u>87,629</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

6. Other income

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Other Income - Rental income	<u>14,040</u>	<u>14,040</u>	<u>8,675</u>	<u>8,675</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Charitable Activities	15,242	15,242	9,236	9,236
Support costs	79,241	79,241	76,567	76,567
	<u>94,483</u>	<u>94,483</u>	<u>85,803</u>	<u>85,803</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2024	Total fund 2023
	£	£	£	£
Charitable Activities	15,242	78,342	93,584	84,955
Governance costs	—	899	899	848
	<u>15,242</u>	<u>79,241</u>	<u>94,483</u>	<u>85,803</u>

9. Analysis of support costs

	2024	2023
	£	£
Wages & salaries	36,341	36,000
Pension costs	716	706
Rates & water	2,585	4,323
Light & heat	8,109	5,534
Repairs & maintenance	20,762	21,115
Insurance	1,677	1,524
Telephone	401	262
Other office costs	2,269	3,017
Depreciation	5,482	3,238
Governance costs	899	848
	<u>79,241</u>	<u>76,567</u>

10. Net income

Net income is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	<u>5,482</u>	<u>3,238</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

11. Independent examination fees

	2024	2023
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	240	240
	<u>480</u>	<u>480</u>

12. Staff costs

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

	2024	2023
	£	£
Wages and salaries	36,341	36,000
Employer contributions to pension plans	716	706
	<u>37,057</u>	<u>36,706</u>

The average head count of employees during the year was 2 (2023: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of staff	<u>2</u>	<u>2</u>

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

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Fixtures and fittings	Equipment	Total
	£	£	£
Cost			
At 1 September 2023	19,173	7,324	26,497
Additions	1,344	10,870	12,214
At 31 August 2024	<u>20,517</u>	<u>18,194</u>	<u>38,711</u>
Depreciation			
At 1 September 2023	13,367	3,416	16,783
Charge for the year	1,788	3,694	5,482
At 31 August 2024	<u>15,155</u>	<u>7,110</u>	<u>22,265</u>
Carrying amount			
At 31 August 2024	<u>5,362</u>	<u>11,084</u>	<u>16,446</u>
At 31 August 2023	<u>5,806</u>	<u>3,908</u>	<u>9,714</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Accruals and deferred income	480	480
Social security and other taxes	362	317
	<u>842</u>	<u>797</u>

16. 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 £716 (2023: £706).

17. Analysis of charitable funds

Unrestricted funds

	At 1 September 2023	Income £	Expenditure £	At 31 August 20 24
General funds	<u>76,973</u>	<u>112,278</u>	<u>(94,483)</u>	<u>94,768</u>

	At 1 September 2022	Income £	Expenditure £	At 31 August 20 23
General funds	<u>66,472</u>	<u>96,304</u>	<u>(85,803)</u>	<u>76,973</u>

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Tangible fixed assets	16,447	16,447
Current assets	79,164	79,164
Creditors less than 1 year	(843)	(843)
Net assets	<u>94,768</u>	<u>94,768</u>

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	9,714	9,714
Current assets	68,056	68,056
Creditors less than 1 year	(797)	(797)
Net assets	<u>76,973</u>	<u>76,973</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

19. Analysis of changes in net debt

	At 1 Sep 2023	Cash flows	At 31 Aug 2024
	£	£	£
Cash at bank and in hand	<u>68,056</u>	<u>11,108</u>	<u>79,164</u>

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2023

K B M UK LIMITED
Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2023

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2023

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 August 2023.

Reference and administrative details

Registered charity name AL-KARAM TRUST LIMITED

Charity registration number 1170665

Company registration number 09970015

Principal office and registered office Eaton Hall
Retford
Nottinghamshire
DN22 0PR

The trustees

Mr I Daad
Mr M Iqbal
Mr M I H Pirzada
Mr R A Samdani

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2023

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2023

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths -
 - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £87,629 which relates to un-restricted funds and there is no income related to restricted funds during the year.

Rental income earned during the year was £8,675.

The unrestricted expenditure for 2023 was £85,803.

Achievements and performance

The charity was able to raise funds to help fund its charitable objects. This fundraising has seen an increase from previous two years, during which time many congregational activities had stopped due to the coronavirus situation. As the situation has become better, routine activities have seen a sense of normality and therefore income has improved. Activities of worship as well as giving refreshments and other educational and community workshops have continued. The madrasa education has also gradually improved and become more effective for local children and adults.

Financial review

The charity received sum of £87,629 in donations from various sources and rental income of £8,675.

Funds in deficit:

No funds (unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £76,973 at the balance sheet date.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2023

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 19 December 2023 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2023

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2023.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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


KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	87,629	87,629	65,665
Other income	6	8,675	8,675	14,400
Total income		<u>96,304</u>	<u>96,304</u>	<u>80,065</u>
Expenditure				
Expenditure on charitable activities	7,8	85,803	85,803	56,183
Total expenditure		<u>85,803</u>	<u>85,803</u>	<u>56,183</u>
Net income and net movement in funds		<u>10,501</u>	<u>10,501</u>	<u>23,882</u>
Reconciliation of funds				
Total funds brought forward		66,472	66,472	42,590
Total funds carried forward		<u>76,973</u>	<u>76,973</u>	<u>66,472</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 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2023

	Note	2023 £	£	2022 £
Fixed assets				
Tangible fixed assets	14		9,714	8,529
Current assets				
Cash at bank and in hand		68,056		58,770
Creditors: amounts falling due within one year	15	<u>797</u>		<u>827</u>
Net current assets			<u>67,259</u>	<u>57,943</u>
Total assets less current liabilities			<u>76,973</u>	<u>66,472</u>
Net assets			<u>76,973</u>	<u>66,472</u>
Funds of the charity				
Unrestricted funds			<u>76,973</u>	<u>66,472</u>
Total charity funds	17		<u>76,973</u>	<u>66,472</u>

For the year ending 31 August 2023 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 19 December 2023, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income	10,501	23,882
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,238	2,843
<i>Changes in:</i>		
Trade and other debtors	–	11,000
Trade and other creditors	(30)	(116)
Cash generated from operations	<u>13,709</u>	<u>37,609</u>
Net cash from operating activities	<u>13,709</u>	<u>37,609</u>
Cash flows from investing activities		
Purchase of tangible assets	(4,423)	(579)
Net cash used in investing activities	<u>(4,423)</u>	<u>(579)</u>
Net increase in cash and cash equivalents	9,286	37,030
Cash and cash equivalents at beginning of year	58,770	21,740
Cash and cash equivalents at end of year	<u>68,056</u>	<u>58,770</u>

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2023

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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations and Friday collections	73,084	73,084	55,500	55,500
Students fee income	14,545	14,545	10,165	10,165
	<u>87,629</u>	<u>87,629</u>	<u>65,665</u>	<u>65,665</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

6. Other income

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Other income - Rental income	8,675	8,675	14,400	14,400

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Charitable Activities	9,236	9,236	4,989	4,989
Support costs	76,567	76,567	51,194	51,194
	<u>85,803</u>	<u>85,803</u>	<u>56,183</u>	<u>56,183</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Charitable Activities	9,236	75,719	84,955	53,723
Governance costs	—	848	848	2,460
	<u>9,236</u>	<u>76,567</u>	<u>85,803</u>	<u>56,183</u>

9. Analysis of support costs

	2023	2022
	£	£
Wages & salaries	36,000	31,561
Pension costs	706	407
Rates & water	4,323	1,003
Light & heat	5,534	3,748
Repairs & maintenance	21,115	4,783
Insurance	1,524	1,293
Telephone	262	427
Other office costs	3,017	2,669
Depreciation	3,238	2,843
Governance costs	848	2,460
	<u>76,567</u>	<u>51,194</u>

10. Net income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>3,238</u>	<u>2,843</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

11. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	240	240
	<u>480</u>	<u>480</u>

12. Staff costs

The average head count of employees during the year was 2 (2022: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2023 No.	2022 No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 September 2022	18,780	3,294	22,074
Additions	393	4,030	4,423
At 31 August 2023	<u>19,173</u>	<u>7,324</u>	<u>26,497</u>
Depreciation			
At 1 September 2022	11,432	2,113	13,545
Charge for the year	1,935	1,303	3,238
At 31 August 2023	<u>13,367</u>	<u>3,416</u>	<u>16,783</u>
Carrying amount			
At 31 August 2023	<u>5,806</u>	<u>3,908</u>	<u>9,714</u>
At 31 August 2022	<u>7,348</u>	<u>1,181</u>	<u>8,529</u>

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2023

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	480	480
Social security and other taxes	317	347
	<u>797</u>	<u>827</u>

16. 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 £706 (2022: £407).

17. Analysis of charitable funds

Unrestricted funds

	At 1 September 2022	Income £	Expenditure £	At 31 August 20 23
General funds	66,472	96,304	(85,803)	76,973
		<u>96,304</u>	<u>(85,803)</u>	<u>76,973</u>

	At 1 September 2021	Income £	Expenditure £	At 31 August 20 22
General funds	42,590	80,065	(56,183)	66,472
		<u>80,065</u>	<u>(56,183)</u>	<u>66,472</u>

18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2023
	£	£
Tangible fixed assets	9,714	9,714
Current assets	68,056	68,056
Creditors less than 1 year	(797)	(797)
Net assets	<u>76,973</u>	<u>76,973</u>

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	8,529	8,529
Current assets	58,770	58,770
Creditors less than 1 year	(827)	(827)
Net assets	<u>66,472</u>	<u>66,472</u>

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 August 2023

19. Analysis of changes in net debt

	At 1 Sep 2022	Cash flows	At 31 Aug 2023
	£	£	£
Cash at bank and in hand	<u>58,770</u>	<u>9,286</u>	<u>68,056</u>

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

COMPANY REGISTRATION NUMBER: 09970015
CHARITY REGISTRATION NUMBER: 1170665

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2022

K B M UK LIMITED

Chartered Certified Accountants

1 Concord Business Centre

Concord Road

London

UK

W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2022

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2022

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 August 2022.

Reference and administrative details

Registered charity name AL-KARAM TRUST LIMITED

Charity registration number 1170665

Company registration number 09970015

Principal office and registered office Eaton Hall
Retford
Nottinghamshire
DN22 0PR

The trustees

Mr I Daad
Mr M Iqbal
Mr M I H Pirzada
Mr R A Samdani

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2022

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2022

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £65,655 which relates to unrestricted funds and there is no income related to restricted funds during the year.

Rental income earned during the year was £14,400.

The unrestricted expenditure for 2022 was £56,183.

Achievements and performance

The charity was able to raise funds to help fund its charitable objects. This fundraising has seen an increase from previous two years, during which time many congregational activities had stopped due to the coronavirus situation. As the situation has become better, routine activities have seen a sense of normality and therefore income has improved. Activities of worship as well as giyarwi refreshments and other educational and community workshops have continued. The madrasa education has also gradually improved and become more effective for local children and adults.

Financial review

The charity received sum of £65,665 in donations from various sources and rental income of £14,400.

Funds in deficit:

No funds (unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £66,472 at the balance sheet date.

Al-Karam Trust Limited runs a mosque in London from a leasehold property.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2022

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 6.3.2023 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2022

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2022.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

KBM

KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 August 2022

		2022		2021
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	5	65,665	65,665	37,555
Other income	6	14,400	14,400	13,800
Total income		<u>80,065</u>	<u>80,065</u>	<u>51,355</u>
Expenditure				
Expenditure on charitable activities	7,8	56,183	56,183	55,574
Total expenditure		<u>56,183</u>	<u>56,183</u>	<u>55,574</u>
Net income/(expenditure) and net movement in funds		<u>23,882</u>	<u>23,882</u>	<u>(4,219)</u>
Reconciliation of funds				
Total funds brought forward		42,590	42,590	46,809
Total funds carried forward		<u>66,472</u>	<u>66,472</u>	<u>42,590</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 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	14		8,529	10,793
Current assets				
Debtors	15	–		11,000
Cash at bank and in hand		58,770		21,740
		<u>58,770</u>		<u>32,740</u>
Creditors: amounts falling due within one year	16	<u>827</u>		<u>943</u>
Net current assets			<u>57,943</u>	<u>31,797</u>
Total assets less current liabilities			<u>66,472</u>	<u>42,590</u>
Net assets			<u>66,472</u>	<u>42,590</u>
Funds of the charity				
Unrestricted funds			<u>66,472</u>	<u>42,590</u>
Total charity funds	18		<u>66,472</u>	<u>42,590</u>

For the year ending 31 August 2022 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 6.3.2023, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income/(expenditure)	23,882	(4,219)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,843	3,598
<i>Changes in:</i>		
Trade and other debtors	11,000	12,000
Trade and other creditors	(116)	(5)
Cash generated from operations	<u>37,609</u>	<u>11,374</u>
Net cash from operating activities	<u>37,609</u>	<u>11,374</u>
Cash flows from investing activities		
Purchase of tangible assets	(579)	(1,076)
Net cash used in investing activities	<u>(579)</u>	<u>(1,076)</u>
Net increase in cash and cash equivalents	37,030	10,298
Cash and cash equivalents at beginning of year	21,740	11,442
Cash and cash equivalents at end of year	<u>58,770</u>	<u>21,740</u>

The notes on pages 9 to 16 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2022

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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations and Friday collections	55,500	55,500	34,885	34,885
Students fee income	10,165	10,165	2,670	2,670
	<u>65,665</u>	<u>65,665</u>	<u>37,555</u>	<u>37,555</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

6. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income - Rental income	14,400	14,400	13,800	13,800

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Charitable Activities	4,989	4,989	–	–
Support costs	51,194	51,194	55,574	55,574
	<u>56,183</u>	<u>56,183</u>	<u>55,574</u>	<u>55,574</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Charitable Activities	4,989	48,734	53,723	53,364
Governance costs	–	2,460	2,460	2,210
	<u>4,989</u>	<u>51,194</u>	<u>56,183</u>	<u>55,574</u>

9. Analysis of support costs

	2022 £	2021 £
Wages & salaries	31,561	37,000
Pension costs	407	383
Rates & water	1,003	1,315
Light & heat	3,748	2,488
Repairs & maintenance	4,783	5,938
Insurance	1,293	1,247
Telephone	427	369
Other office costs	2,669	1,026
Depreciation	2,843	3,598
Governance costs	2,460	2,210
	<u>51,194</u>	<u>55,574</u>

10. Net income/(expenditure)

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

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>2,843</u>	<u>3,598</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	240	240
	<u>480</u>	<u>480</u>

12. Staff costs

The average head count of employees during the year was 2 (2021: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 September 2021	18,380	3,115	21,495
Additions	400	179	579
At 31 August 2022	<u>18,780</u>	<u>3,294</u>	<u>22,074</u>
Depreciation			
At 1 September 2021	8,983	1,719	10,702
Charge for the year	2,449	394	2,843
At 31 August 2022	<u>11,432</u>	<u>2,113</u>	<u>13,545</u>
Carrying amount			
At 31 August 2022	<u>7,348</u>	<u>1,181</u>	<u>8,529</u>
At 31 August 2021	<u>9,397</u>	<u>1,396</u>	<u>10,793</u>

15. Debtors

	2022 £	2021 £
Other debtors	<u>—</u>	<u>11,000</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	480	480
Social security and other taxes	347	463
	<u>827</u>	<u>943</u>

17. 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 £407 (2021: £383).

18. Analysis of charitable funds

Unrestricted funds

	At 1 September 2021	Income £	Expenditure £	At 31 August 20 22
General funds	<u>42,590</u>	<u>80,065</u>	<u>(56,183)</u>	<u>66,472</u>

	At 1 September 2020	Income £	Expenditure £	At 31 August 20 21
General funds	<u>46,809</u>	<u>51,355</u>	<u>(55,574)</u>	<u>42,590</u>

19. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	8,529	8,529
Current assets	58,770	58,770
Creditors less than 1 year	(827)	(827)
Net assets	<u>66,472</u>	<u>66,472</u>

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year ended 31 August 2022

20. Analysis of changes in net debt

	At 1 Sep 2021	Cash flows	At 31 Aug 2022
	£	£	£
Cash at bank and in hand	<u>21,740</u>	<u>37,030</u>	<u>58,770</u>

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

COMPANY REGISTRATION NUMBER: 09970015

CHARITY REGISTRATION NUMBER: 1170665

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2021

K B M UK LIMITED

Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2021

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2021

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 August 2021.

Reference and administrative details

Registered charity name	AL-KARAM TRUST LIMITED
Charity registration number	1170665
Company registration number	09970015
Principal office and registered office	Eaton Hall Retford Nottinghamshire DN22 0PR

The trustees

Mr I Daad
Mr M Iqbal
Mr M I H Pirzada
Mr R A Samdani

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2021

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £51,355 which relates to unrestricted funds and there is no income related to restricted funds during the year.

The unrestricted expenditure for 2021 was £55,574.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2021

Achievements and performance

Financial review

The charity received sum of £51,355 in donations from various sources.

Funds in deficit:

No funds(unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £42,590 at the balance sheet date.

Al-Karam Trust Limited runs a mosque in London from a leasehold property.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 12 April 2022 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2021

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2021.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

12 April 2022

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

Year ended 31 August 2021

		2021		2020
		Unrestricted	Total funds	Total funds
	Note	funds	£	£
		£	£	£
Income and endowments				
Donations and legacies	5	37,555	37,555	51,642
Other income	6	13,800	13,800	10,800
Total income		<u>51,355</u>	<u>51,355</u>	<u>62,442</u>
Expenditure				
Expenditure on charitable activities	7,8	55,574	55,574	63,563
Total expenditure		<u>55,574</u>	<u>55,574</u>	<u>63,563</u>
Net expenditure and net movement in funds		<u>(4,219)</u>	<u>(4,219)</u>	<u>(1,121)</u>
Reconciliation of funds				
Total funds brought forward		46,809	46,809	47,930
Total funds carried forward		<u>42,590</u>	<u>42,590</u>	<u>46,809</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 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	14		10,793	13,315
Current assets				
Debtors	15	11,000		23,000
Cash at bank and in hand		21,740		11,442
		<u>32,740</u>		<u>34,442</u>
Creditors: amounts falling due within one year	16	<u>943</u>		<u>948</u>
Net current assets			<u>31,797</u>	<u>33,494</u>
Total assets less current liabilities			<u>42,590</u>	<u>46,809</u>
Net assets			<u>42,590</u>	<u>46,809</u>
Funds of the charity				
Unrestricted funds			<u>42,590</u>	<u>46,809</u>
Total charity funds	18		<u>42,590</u>	<u>46,809</u>

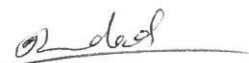
For the year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 12 April 2022, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2021

	2021 £	2020 £
Cash flows from operating activities		
Net expenditure	(4,219)	(1,121)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,598	4,438
<i>Changes in:</i>		
Trade and other debtors	12,000	12,000
Trade and other creditors	(5)	160
Cash generated from operations	<u>11,374</u>	<u>15,477</u>
Net cash from operating activities	<u>11,374</u>	<u>15,477</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,076)	(12,400)
Net cash used in investing activities	<u>(1,076)</u>	<u>(12,400)</u>
Net increase in cash and cash equivalents	10,298	3,077
Cash and cash equivalents at beginning of year	11,442	8,365
Cash and cash equivalents at end of year	<u>21,740</u>	<u>11,442</u>

The notes on pages 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2021

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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations and Friday collections	34,885	34,885	41,137	41,137
Students fee income	2,670	2,670	10,505	10,505
	<u>37,555</u>	<u>37,555</u>	<u>51,642</u>	<u>51,642</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

6. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income - Rental income	<u>13,800</u>	<u>13,800</u>	<u>10,800</u>	<u>10,800</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable Activities	–	–	9,484	9,484
Support costs	<u>55,574</u>	<u>55,574</u>	<u>54,079</u>	<u>54,079</u>
	<u>55,574</u>	<u>55,574</u>	<u>63,563</u>	<u>63,563</u>

8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2021 £	Total fund 2020 £
Charitable Activities	53,364	53,364	59,232
Governance costs	<u>2,210</u>	<u>2,210</u>	<u>4,331</u>
	<u>55,574</u>	<u>55,574</u>	<u>63,563</u>

9. Analysis of support costs

	2021 £	2020 £
Wages & salaries	37,000	37,000
Pension costs	383	384
Rates & water	1,315	945
Light & heat	2,488	2,810
Repairs & maintenance	5,938	949
Insurance	1,247	1,213
Telephone	369	360
Other office costs	1,026	1,649
Depreciation	3,598	4,438
Governance costs	<u>2,210</u>	<u>4,331</u>
	<u>55,574</u>	<u>54,079</u>

10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>3,598</u>	<u>4,438</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	240	240
	<u>480</u>	<u>480</u>

12. Staff costs

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

	2021 £	2020 £
Wages and salaries	37,000	37,000
Employer contributions to pension plans	383	384
	<u>37,383</u>	<u>37,384</u>

The average head count of employees during the year was 2 (2020: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 September 2020	17,550	2,869	20,419
Additions	830	246	1,076
At 31 August 2021	<u>18,380</u>	<u>3,115</u>	<u>21,495</u>
Depreciation			
At 1 September 2020	5,850	1,254	7,104
Charge for the year	3,133	465	3,598
At 31 August 2021	<u>8,983</u>	<u>1,719</u>	<u>10,702</u>
Carrying amount			
At 31 August 2021	<u>9,397</u>	<u>1,396</u>	<u>10,793</u>
At 31 August 2020	<u>11,700</u>	<u>1,615</u>	<u>13,315</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

15. Debtors

	2021	2020
	£	£
Other debtors	<u>11,000</u>	<u>23,000</u>

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	480	480
Social security and other taxes	<u>463</u>	<u>468</u>
	<u>943</u>	<u>948</u>

17. 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 £383 (2020: £384).

18. Analysis of charitable funds

Unrestricted funds

	At 1 September 2020	Income £	Expenditure £	At 31 August 20 21
General funds	<u>46,809</u>	<u>51,355</u>	<u>(55,574)</u>	<u>42,590</u>

	At 1 September 2019	Income £	Expenditure £	At 31 August 20 20
General funds	<u>47,930</u>	<u>62,442</u>	<u>(63,563)</u>	<u>46,809</u>

19. Analysis of changes in net debt

	At 1 Sep 2020	Cash flows	At 31 Aug 2021
	£	£	£
Cash at bank and in hand	<u>11,442</u>	<u>10,298</u>	<u>21,740</u>

AL-KARAM TRUST LIMITED

England & Wales - Charity number 1170665

Accounts

COMPANY REGISTRATION NUMBER: 09970015

CHARITY REGISTRATION NUMBER: 1170665

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2020

K B M UK LIMITED
Chartered Certified Accountants
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2020

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AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2020

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 August 2020.

Reference and administrative details

Registered charity name AL-KARAM TRUST LIMITED

Charity registration number 1170665

Company registration number 09970015

Principal office and registered office Eaton Hall
Retford
Nottinghamshire
DN22 0PR

The trustees

Mr I Daad (Appointed 26 January 2016)

Mr M Iqbal (Appointed 26 January 2016)

Mr M I H Pirzada (Appointed 26 January 2016)

Mr R A Samdani (Appointed 26 January 2016)

Company secretary Mr B H Pirzada

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2020

Structure, governance and management

Board of Trustees

The board of trustees is responsible to ensure that charity objectives are achieved and charitable activities are carried out in support of set objectives. They also monitor overall performance of charity management and to ensure charity resources are applied effectively.

Governance

Al-Karam Trust Limited refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association.

Management Responsibilities

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors manages and keep accounting records, the records disclose our financial position with reasonable accuracy at any time and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the charity Commission Statement of recommendation Practice (SORP) 2015.

Objectives and activities

The objectives of charity (The Objects of the Charity) are,

- (a) the advancement of the faith and religious practices of Islam
- (b) the advancement of general and religious education for the public benefit concerning the teachings and religion of Islam
- (c) the provision of facilities in the interests of social welfare for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life
- (d) the advancement of religious harmony for the benefit of the public by:
 - educating the public in different religious beliefs including an awareness of their distinctive features and their common ground to promote good relations between persons of different faiths - promoting knowledge and mutual understanding and respect of the beliefs and practices of different religious faiths
- (e) the relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money or other means deemed suitable for persons, bodies, organisations and countries affected

The Charity's activities during the year are described below:

Donations from various sources was £62,442 which relates to unrestricted funds and there is no income related to restricted funds during the year.

The unrestricted expenditure for 2020 was £63,563.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

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

Year ended 31 August 2020

Achievements and performance

Financial review

The charity received sum of £62,442 in donations from various sources.

Funds in deficit:

No funds(unrestricted or restricted) are in deficit at the balance sheet date.

Funds in surplus:

The unrestricted funds are in surplus by £46,809 at the balance sheet date.

Al-Karam Trust Limited runs a mosque in London from a leasehold property.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 21 May 2021 and signed on behalf of the board of trustees by:



Mr M I H Pirzada
Trustee

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of AL-KARAM TRUST LIMITED

Year ended 31 August 2020

I report to the trustees on my examination of the financial statements of AL-KARAM TRUST LIMITED ('the charity') for the year ended 31 August 2020.

Responsibilities and basis of report

As the 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 accounts of the company 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 the charity's accounts 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 confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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

KBM.
21/5/21
KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	51,642	51,642	57,430
Other income	6	10,800	10,800	12,500
Total income		<u>62,442</u>	<u>62,442</u>	<u>69,930</u>
Expenditure				
Expenditure on charitable activities	7,8	63,563	63,563	55,831
Total expenditure		<u>63,563</u>	<u>63,563</u>	<u>55,831</u>
Net (expenditure)/income and net movement in funds		<u>(1,121)</u>	<u>(1,121)</u>	<u>14,099</u>
Reconciliation of funds				
Total funds brought forward		47,930	47,930	33,831
Total funds carried forward		<u>46,809</u>	<u>46,809</u>	<u>47,930</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 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Financial Position

31 August 2020

	Note	2020 £	£	2019 £
Fixed assets				
Tangible fixed assets	14		13,315	5,353
Current assets				
Debtors	15	23,000		35,000
Cash at bank and in hand		11,442		8,365
		<u>34,442</u>		<u>43,365</u>
Creditors: amounts falling due within one year	16	<u>948</u>		<u>788</u>
Net current assets			<u>33,494</u>	<u>42,577</u>
Total assets less current liabilities			<u>46,809</u>	<u>47,930</u>
Net assets			<u>46,809</u>	<u>47,930</u>
Funds of the charity				
Unrestricted funds			<u>46,809</u>	<u>47,930</u>
Total charity funds	18		<u>46,809</u>	<u>47,930</u>

For the year ending 31 August 2020 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, and are signed on behalf of the board by:



Mr M I H Pirzada
Trustee

The notes on pages 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(1,121)	14,099
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	4,438	1,784
Accrued income	-	(240)
<i>Changes in:</i>		
Trade and other debtors	12,000	(35,000)
Trade and other creditors	160	127
Cash generated from operations	<u>15,477</u>	<u>(19,230)</u>
Net cash from/(used in) operating activities	<u>15,477</u>	<u>(19,230)</u>
Cash flows from investing activities		
Purchase of tangible assets	(12,400)	(4,490)
Net cash used in investing activities	<u>(12,400)</u>	<u>(4,490)</u>
Net increase/(decrease) in cash and cash equivalents	3,077	(23,720)
Cash and cash equivalents at beginning of year	8,365	32,085
Cash and cash equivalents at end of year	<u>11,442</u>	<u>8,365</u>

The notes on pages 8 to 14 form part of these financial statements.

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 August 2020

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 Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

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.

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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:

Fixtures and fittings	-	25% reducing balance
Equipment	-	25% 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.

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.

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

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

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations and Friday collections	41,137	41,137	42,175	42,175
Students fee income	10,505	10,505	15,255	15,255
	<u>51,642</u>	<u>51,642</u>	<u>57,430</u>	<u>57,430</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

6. Other Income

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Other income - Rental income	<u>10,800</u>	<u>10,800</u>	<u>12,500</u>	<u>12,500</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Charitable Activities	9,484	9,484	12,775	12,775
Support costs	<u>54,079</u>	<u>54,079</u>	<u>43,056</u>	<u>43,056</u>
	<u>63,563</u>	<u>63,563</u>	<u>55,831</u>	<u>55,831</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Charitable Activities	9,484	49,748	59,232	53,737
Governance costs	—	<u>4,331</u>	<u>4,331</u>	<u>2,094</u>
	<u>9,484</u>	<u>54,079</u>	<u>63,563</u>	<u>55,831</u>

9. Analysis of support costs

	2020	2019
	£	£
Purchases	—	250
Wages & salaries	37,000	28,500
Pension costs	384	261
Rates & water	945	2,001
Light & heat	2,810	3,164
Repairs & maintenance	949	2,641
Insurance	1,213	1,186
Telephone	360	268
Other office costs	1,649	907
Depreciation	4,438	1,784
Governance costs	4,331	2,094
	<u>54,079</u>	<u>43,056</u>

10. Net (expenditure)/income

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	<u>4,438</u>	<u>1,784</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

11. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	240	240
Other financial services	240	240
	<u>480</u>	<u>480</u>

12. Staff costs

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

	2020	2019
	£	£
Wages and salaries	37,000	28,500
Employer contributions to pension plans	384	261
	<u>37,384</u>	<u>28,761</u>

The average head count of employees during the year was 2 (2019: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of staff	<u>2</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

13. Trustee remuneration and expenses

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

14. Tangible fixed assets

	Fixtures and fittings	Equipment	Total
	£	£	£
Cost			
At 1 September 2019	5,550	2,469	8,019
Additions	12,000	400	12,400
At 31 August 2020	<u>17,550</u>	<u>2,869</u>	<u>20,419</u>
Depreciation			
At 1 September 2019	1,950	716	2,666
Charge for the year	3,900	538	4,438
At 31 August 2020	<u>5,850</u>	<u>1,254</u>	<u>7,104</u>
Carrying amount			
At 31 August 2020	<u>11,700</u>	<u>1,615</u>	<u>13,315</u>
At 31 August 2019	<u>3,600</u>	<u>1,753</u>	<u>5,353</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

15. Debtors

	2020	2019
	£	£
Other debtors	<u>23,000</u>	<u>35,000</u>

16. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	480	480
Social security and other taxes	<u>468</u>	<u>308</u>
	<u>948</u>	<u>788</u>

17. 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 £384 (2019: £261).

18. Analysis of charitable funds

Unrestricted funds

	At 1 September 2019	Income £	Expenditure £	At 31 August 20 20
General funds	<u>47,930</u>	<u>62,442</u>	<u>(63,563)</u>	<u>46,809</u>

	At 1 September 2018	Income £	Expenditure £	At 31 August 20 19
General funds	<u>33,831</u>	<u>69,930</u>	<u>(55,831)</u>	<u>47,930</u>

19. Analysis of changes in net debt

	At 1 Sep 2019	Cash flows	At 31 Aug 2020
	£	£	£
Cash at bank and in hand	<u>8,365</u>	<u>3,077</u>	<u>11,442</u>

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Management Information
Year ended 31 August 2020

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

AL-KARAM TRUST LIMITED
Company Limited by Guarantee
Detailed Statement of Financial Activities
Year ended 31 August 2020

	2020	2019
	£	£
Income and endowments		
Donations and legacies		
Donations and Friday collections	41,137	42,175
Students fee income	<u>10,505</u>	<u>15,255</u>
	<u>51,642</u>	<u>57,430</u>
Other income		
Other income - Rental income	<u>10,800</u>	<u>12,500</u>
Total income	<u>62,442</u>	<u>69,930</u>
Expenditure		
Expenditure on charitable activities		
Purchases	–	250
Wages and salaries	37,000	28,500
Pension costs	384	261
Rates and water	10,429	14,776
Light and heat	2,810	3,164
Repairs and maintenance	949	2,641
Insurance	1,213	1,186
Legal and professional fees	4,331	2,094
Telephone	360	268
Other office costs	1,649	907
Depreciation	4,438	1,784
	<u>63,563</u>	<u>55,831</u>
Total expenditure	<u>63,563</u>	<u>55,831</u>
Net (expenditure)/income	<u>(1,121)</u>	<u>14,099</u>

AL-KARAM TRUST LIMITED

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 August 2020

	2020 £	2019 £
Expenditure on charitable activities		
Charitable Activities		
<i>Activities undertaken directly</i>		
Charitable activities	<u>9,484</u>	<u>12,775</u>
<i>Support costs</i>		
Purchases	–	250
Wages & salaries	37,000	28,500
Pension costs	384	261
Rates & water	945	2,001
Light & heat	2,810	3,164
Repairs & maintenance	949	2,641
Insurance	1,213	1,186
Telephone	360	268
Other office costs	1,649	907
Depreciation	<u>4,438</u>	<u>1,784</u>
	<u>49,748</u>	<u>40,962</u>
Governance costs		
Governance costs - accountancy fees	850	610
Governance costs - legal and other professional fees	<u>3,481</u>	<u>1,484</u>
	<u>4,331</u>	<u>2,094</u>
Expenditure on charitable activities	<u>63,563</u>	<u>55,831</u>

