

AL-Ikhlās Culture and Education Centre
Unaudited Financial Statements
For the year ended
31 March 2025

SAK2020 LTD.
Chartered Certified Accountants
Broadway House
Broadway
Cardiff
CF24 1PU

AL-Ikhlas Culture and Education Centre

Financial Statements

Year ended 31 March 2025

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AL-Ikhlas Culture and Education Centre

Trustees' Annual Report

Year ended 31 March 2025

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2025.

Reference and administrative details

Registered charity name	AL-Ikhlas Culture and Education Centre
Charity registration number	1172035
Company registration number	CE010562
Principal office and registered office	16 Bayside Road Cardiff CF24 5NA UK
The trustees	Mr A Taha Mr A A Jalal
Independent examiner	SAK2020 Ltd. Chartered Certified Accountants Broadway House Broadway Cardiff CF24 1PU

Objectives and activities

" To providing and support Islamic education through the study of the Quran and Arabic language." To providing facilities for regular prayer meetings for the Muslim community." To foster interfaith relationships and promoting religious harmony in Cardiff and the surrounding area by working in partnership with other faiths. " To provide assistance to those in need through Islamic counselling and dispute resolution. " To provide support to young people through means such as leisure time activities, conducted with a religious ethos in order to develop their capabilities.

Aims

The ultimate aim of Al-Ikhlas Centre is to bring about wider religious and social benefits. It is to prevent any social, psychological or physical harm to our members, their community and wider society. We strive to provide a moderate yet continuous Islamic environment for the Muslim community, particularly in Adamsdown. We also aim to contribute towards portraying a peaceful image of Islam in the city of Cardiff based on our guiding principles. We aim to ensure that our services are delivered to very high standards and with professionalism. Therefore, our weekly classes, regular activities and after school Qur'an club for children are planned, prepared and delivered to a high standard of teaching. We aim to expand and improve our newly established youth club. This will encourage the youth to integrate and occupy themselves in an environment that will protect and guide them.

AL-Ikhlās Culture and Education Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Achievements and performance

Al-Ikhlās Centre was established to fulfil the growing demand for education classes, a Friday and Ramadhan activities space, and other cultural/religious activities in the area that lacks the presence of such an Islamic community centre. We seek to create a God Almighty centric, spiritually balanced, peaceful and prosperous Cardiff, where all communities respect each other and work together for the common good. Al-Ikhlās Centre is close to a burgeoning asylum seeker community and a recent refugee community. The improvement work at 88 and 90 Broadway is completed.

- **Interfaith & Community Connections**

Al-Ikhlās Centre arranged 12 visits from schools, neighbors and organizations to promote mutual respect and cross-cultural leaning. Centre hosted inclusive events, attended by local officials, police and faith leaders especially during community gathering s like Ramadan Iftar.

- **Daily Food Support**

Al-Ikhlās Centre served nutritious meals to 2330 individuals, including refugees, low-income households and people experiencing homelessness. During Ramadan, Alikhlas Centre shared over 7860 Iftar Meals, welcoming everyone to experience the spirit of togetherness. Centre provided 2640 food hampers along with emotional and wellbeing support for individuals and families facing hardship.

- **Women's Empowerment**

Al-Ikhlās Centre held 56 women-led sessions supporting education, wellbeing, spiritual growth and community voice. Centre also delivered 106 educational sessions open to all interested in learning about faith values and civic responsibility. Most importantly Centre provided help to children for learning QARAN and Arabic language.

- **Celebrations & Life Events**

It is worth mentioning that the Centre supported and allowed 8 weddings and 74 bereavement gatherings, honoring life's milestone with care and compassion.

- **Imam & Teacher**

Imam Ali Ahmed, who departed Al-Ikhlās Centre early last year and joined an Islamic Centre in Leeds, agreed to come back and joined Al-Ikhlās Centre again in March 2025. The worships and Trustees are pleased and thankful to him. His services to the Centre, when Centre was being built, are acknowledged and appreciated. In this regard efforts of the Chairman Trustee Ahmed Taha have played a curial role, and Board of Trustee appreciate his efforts.

Plans for future periods

Trustees are planning, depending on the availability of funds, either to improve 92 Broadway by renovating the existing building or to demolition and rebuild a new structure that merges with 88 and 90 Broadway. This will increase the prayer space and will allow us to add more classrooms and youth zones.

Centre will start to organize youth leadership program for men and women and provide accessible childcare during events. Trustees are considering hosting more open days, expanding school visits and collaborative events with local organizations, expanding food bank operation, refugee support and mental health care support.

AL-Ikhlas Culture and Education Centre

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Digital Midia Policy is being drafted, and planning is underway to launch mobile-friendly website soon. In the light of an unpleasant incident that occurred in the very near past, trustees are very mindful enhancing building security to prevent similar incidents occurring in the future.

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 05/08/2025 and signed on behalf of the board of trustees by:

Mr A Taha
Trustee



Mr A A Jalal
Trustee



AL-Ikhlas Culture and Education Centre

Independent Examiner's Report to the Trustees of AL-Ikhlas Culture and Education Centre

Year ended 31 March 2025

We report to the trustees on our examination of the financial statements of AL-Ikhlas Culture and Education Centre ('the charity') for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts. The charity's trustees consider an audit is not required for this year (under s43 (3) of the Charities Act 1993 (the Act)).

It is our responsibility to:

1. Examine the accounts (under s43 (3) (a) of the 1993 Act)
2. Follow the procedures laid down in the General Directions given by the Charity Commissioners under section 43 (7) (b) of the Act, and 3. to state whether particular matters have come to our attention.

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to:

" examine the accounts under section 145 of the 2011 Act;

" to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

" to state whether particular matters have come to our attention.

Independent examiner's statement

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us 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).

We 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.

SAK 2020 Ltd
Independent Examiner
SAK2020 LTD.
Chartered Certified Accountants
Broadway House
Broadway
Cardiff
CF24 1PU

5th August 2025

AL-Ikhlas Culture and Education Centre

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2025

		2025		2024
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	114,300	114,300	138,177
Total income		<u>114,300</u>	<u>114,300</u>	<u>138,177</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	5	10,136	10,136	—
Expenditure on charitable activities	6,7	67,080	67,080	58,310
Total expenditure		<u>77,216</u>	<u>77,216</u>	<u>58,310</u>
Net income and net movement in funds		<u>37,084</u>	<u>37,084</u>	<u>79,867</u>
Reconciliation of funds				
Total funds brought forward		1,209,587	1,209,587	1,129,720
Total funds carried forward		<u>1,246,671</u>	<u>1,246,671</u>	<u>1,209,587</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 7 to 12 form part of these financial statements.

AL-Ikhlas Culture and Education Centre

Statement of Financial Position

31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	10	1,146,508	1,154,161
Current assets			
Cash at bank and in hand		121,163	77,231
Net current assets		121,163	77,231
Total assets less current liabilities		1,267,671	1,231,392
Creditors: amounts falling due after more than one year	11	21,000	21,805
Net assets		1,246,671	1,209,587
Funds of the charity			
Unrestricted funds		1,246,671	1,209,587
Total charity funds	13	1,246,671	1,209,587

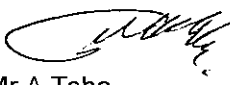
For the year ending 31 March 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

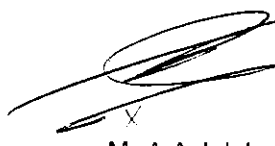
Trustees' responsibilities:

- 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 trustees 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 05/08/2025....., and are signed on behalf of the board by:


Mr A Taha
Trustee


Mr A A Jalal
Trustee

The notes on pages 7 to 12 form part of these financial statements.

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements

Year ended 31 March 2025

1. 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.

2. 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.

Fund accounting

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

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

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

Incoming resources

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

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

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

2. Accounting policies *(continued)*

Resources expended

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

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

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

Tangible assets

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

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

Depreciation

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

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.

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

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

Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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.

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

2. Accounting policies *(continued)*

Defined contribution plans *(continued)*

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.

3. Limited by guarantee

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Donations				
Donations	89,952	89,952	125,879	125,879
Fee received	7,740	7,740	—	—
Gift Aid	12,108	12,108	12,298	12,298
Grant received	4,500	4,500	—	—
	<u>114,300</u>	<u>114,300</u>	<u>138,177</u>	<u>138,177</u>

5. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Costs of raising donations and legacies - Donations	10,136	10,136	—	—

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2025 £	Unrestricted Funds £	Total Funds 2024 £
Activity type 1	67,080	67,080	58,310	58,310

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2025 £	Total fund 2024 £
Activity type 1	67,080	67,080	58,310

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

8. Net income

Net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	7,653	9,566

9. Staff costs

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

	2025	2024
	£	£
Wages and salaries	21,076	16,342
Social security costs	4,121	256
Employer contributions to pension plans	1,500	–
	<u>26,697</u>	<u>16,598</u>

The average head count of employees during the year was Nil (2024: Nil).

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

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2024 and 31 March 2025	1,115,895	59,451	1,175,346
Depreciation			
At 1 April 2024	–	21,185	21,185
Charge for the year	–	7,653	7,653
At 31 March 2025	<u>–</u>	<u>28,838</u>	<u>28,838</u>
Carrying amount			
At 31 March 2025	1,115,895	30,613	1,146,508
At 31 March 2024	<u>1,115,895</u>	<u>38,266</u>	<u>1,154,161</u>

11. Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Karz e Hassana	21,000	21,805

12. 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 £1,500 (2024: £Nil).

AL-Ikhlas Culture and Education Centre

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

13. Analysis of charitable funds

Unrestricted funds

	At 1 April 2024	Income	Expenditure	At 31 March 2025
	£	£	£	£
General funds	<u>1,209,587</u>	<u>114,300</u>	<u>(77,216)</u>	<u>1,246,671</u>

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
General funds	<u>1,129,720</u>	<u>138,177</u>	<u>(58,310)</u>	<u>1,209,587</u>

AL-Ikhlas Culture and Education Centre

Management Information

Year ended 31 March 2025

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

AL-Ikhlās Culture and Education Centre

Detailed Statement of Financial Activities

Year ended 31 March 2025

	2025 £	2024 £
Income and endowments		
Donations and legacies		
Donations	89,952	125,879
Fee received	7,740	—
Gift Aid	12,108	12,298
Grant received	4,500	—
	<u>114,300</u>	<u>138,177</u>
Total income	<u>114,300</u>	<u>138,177</u>
Expenditure		
Costs of raising donations and legacies		
Wages and salaries	<u>10,136</u>	<u>—</u>
Expenditure on charitable activities		
Volunteer Expense	10,940	16,342
Bank Charges	4,121	256
Sub-contractors	1,500	—
Rates & Water	2,443	2,641
Light & Heat	2,681	(4,306)
Repairs & maintenance	10,753	931
Insurance	1,413	1,213
Food Expense (Feeding Refugees)	6,494	5,816
Service Charge	480	189
Donation / Zakat	3,033	9,932
Telephone & Internet	696	600
Depreciation	7,653	9,566
Ramadan Iftar	13,122	13,553
Printing, Stationery & Postage	164	125
Sundry Expenses	715	737
Cleaning and Refuse	872	715
	<u>67,080</u>	<u>58,310</u>
Total expenditure	<u>77,216</u>	<u>58,310</u>
Net income	<u>37,084</u>	<u>79,867</u>

AL-Ikhlas Culture and Education Centre

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2025

	2025 £	2024 £
Costs of raising donations and legacies		
Costs of raising donations and legacies - Donations		
Wages and salaries	10,136	—
	<u>10,136</u>	<u>—</u>
Costs of raising donations and legacies	<u>10,136</u>	<u>—</u>
Expenditure on charitable activities		
Activity type 1		
Activities undertaken directly		
Volunteer Expense	10,940	16,342
Bank Charges	4,121	256
Sub-contractors	1,500	—
Rates & Water	2,443	2,641
Light & Heat	2,681	(4,306)
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Ramadan Iftar	13,122	13,553
Printing, Stationery & Postage	164	125
Sundry Expenses	715	737
Cleaning and Refuse	872	715
	<u>67,080</u>	<u>58,310</u>
Expenditure on charitable activities	<u>67,080</u>	<u>58,310</u>