

Islam Answers
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2024

Islam Answers

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2024

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

Year ended 31 December 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 December 2024.

Reference and administrative details

Registered charity name	Islam Answers
Charity registration number	1204070
Company registration number	CE033036
Principal office and registered office	32 Chase Hill Road Arlesey SG15 6UE

The trustees

Mr Khan
Mr Ahmed - Chair
Ms Hussain

Independent examiner	Durrani & Co 72 Cardigan Street Luton Bedfordshire LU1 1RR
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Structure, governance and management

Islam Answers is a registered Charitable Incorporated Organisation (CIO). The charity was established by constitution and registered with the Charity Commission on 24 July 2023, under number 1204070.

There must be at least three trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees or appoint a new charity trustee. There is no maximum number of charity trustees that may be appointed to the CIO.

The first three trustees are Redhwan Ahmed, Hasib Khan and Kiran Bibi Hussain.

Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The charity trustees will make available to each new charity trustee, on or before his or her first appointment: 1. A copy of the current version of this constitution; and 2. A copy of the CIO's latest Trustees' Annual Report and statement of accounts.

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

Year ended 31 December 2024

Objectives and activities

Islam Answers was setup to advance the Islamic faith for the benefit of the public in accordance with the statement of faith by providing facilities for Islamic worship and prayer, religious education, producing and distributing literature on and to enlighten others about the Islamic religion and pastoral care for the local community.

Main activities:

- Website to answer the questions of the public which covers all four madhabs and provides detailed answers with supporting evidence
- YouTube channel to provide detailed analysis and discussions on Islamic beliefs and live Q&A sessions
- Social media pages to help address misconceptions and provide Islamic information
- Telegram groups to provide quick answers to the public who have more complex questions
- Periodic community gatherings
- Support students who lack funds to gain a religious education
- Activities to provide practical lessons e.g. pilgrimage

Public Benefit

In considering the objectives and activities, the Trustees have considered the Charity Commission's guidance on Public Benefit to ensure that the organisation is meeting its Public Benefit requirements.

Achievements and performance

A Q&A website was setup to answer the questions of the public based on the four madhabs. A YouTube channel and active social media pages were setup with thousands of followers on most platforms. A marriage service and youth club were also setup to address the needs of the public. Through these activities we have managed to reach out to thousands of people helping them to increase their level of Islamic education.

The trustees would like to express their heartfelt gratitude to all our dedicated volunteers whose efforts have been instrumental to the success of the charity. The trustees also extend their sincere thanks to all the donors whose generosity has enabled our charitable work.

Financial review

There was a small surplus of £5,688, comprising £3,482 in unrestricted funds and £2,206 in restricted funds.

Reserves Policy

The Charitable Incorporated Organisation aims to maintain unrestricted reserves equal to two months of operating costs.

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

Year ended 31 December 2024

Plans for future periods

The charity will continue to expand its outreach and services. It will also aim to increase work in the social arena by assisting the youth, helping with marriage or tackling loneliness.

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 31 December 2024 and signed on behalf of the board of trustees by:



Mr Ahmed - Chair
Trustee

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Independent Examiner's Report to the Trustees of Islam Answers

Year ended 31 December 2024

I report to the trustees on my examination of the financial statements of Islam Answers ('the charity') for the year ended 31 December 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.

Durrani & Co
Independent Examiner

72 Cardigan Street
Luton
Bedfordshire
LU1 1RR

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Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2024

		Unrestricted funds £	2024 Restricted funds £	Total funds £
	Note			
Income and endowments				
Donations and legacies	5	60,634	14,194	74,828
Total income		60,634	14,194	74,828
Expenditure				
Expenditure on charitable activities	6,7	57,152	11,988	69,140
Total expenditure		57,152	11,988	69,140
Net income and net movement in funds		3,482	2,206	5,688
Reconciliation of funds				
Total funds brought forward		—	—	—
Total funds carried forward		3,482	2,206	5,688

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.

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Statement of Financial Position

31 December 2024

	Note	2024 £
Current assets		
Cash at bank and in hand		6,378
Creditors: amounts falling due within one year	11	<u>690</u>
Net current assets		<u>5,688</u>
Total assets less current liabilities		<u>5,688</u>
Net assets		<u>5,688</u>
Funds of the charity		
Restricted funds		2,206
Unrestricted funds		<u>3,482</u>
Total charity funds	12	<u>5,688</u>

For the year ending 31 December 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 31 August 2025, and are signed on behalf of the board by:



Mr Ahmed - Chair
Trustee

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

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Notes to the Financial Statements

Year ended 31 December 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 32 Chase Hill Road, Arlesey, SG15 6UE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

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

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Fund accounting

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

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

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

Incoming resources

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

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

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Resources expended

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

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

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

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.

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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.

4. Limited by guarantee

Islam Answers is a Charitable incorporated organisation, trustees are responsible for ensuring that the charity is compliant with its legal duties and is fulfilling its charitable objectives. The trustees monitor all aspects of strategic and business operations and meet regularly to review and evaluate performance. The trustees keep up to date with changes in the law and developments in the operational environment through regular training and learning.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	55,212	14,194	69,406
Gifts			
Gifts	5,422	—	5,422
	<u>60,634</u>	<u>14,194</u>	<u>74,828</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Activity	—	730	730
Support costs	57,152	11,258	68,410
	<u>57,152</u>	<u>11,988</u>	<u>69,140</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

7. Expenditure on charitable activities by activity type

Activity	Activities undertaken directly	Support costs	Total funds
	£	£	2024 £
Activity	730	–	730
Governance costs	–	68,410	68,410
	<u>730</u>	<u>68,410</u>	<u>69,140</u>

8. Independent examination fees

	2024 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>595</u>

9. Staff costs

The average head count of employees during the year was Nil.

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

10. Trustee remuneration and expenses

- No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.
- No trustee expenses have been incurred.

11. Creditors: amounts falling due within one year

	2024 £
Accruals and deferred income	<u>690</u>

12. Analysis of charitable funds

Unrestricted funds

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
General funds	<u>–</u>	<u>60,634</u>	<u>(57,152)</u>	<u>3,482</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

12. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
Restricted Fund 1 - desc in a/cs	—	14,194	(11,988)	2,206

13. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	£
Current assets	6,378	6,378
Creditors less than 1 year	(690)	(690)
Net assets	5,688	5,688

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Management Information

Year ended 31 December 2024

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

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Detailed Statement of Financial Activities

Year ended 31 December 2024

	2024 £
Income and endowments	
Donations and legacies	
Donations	69,406
Gifts aid	5,422
	<u>74,828</u>
Total income	<u><u>74,828</u></u>
Expenditure	
Expenditure on charitable activities	
Direct charitable activity 1 - charitable activities	730
Wages/salaries and subcontract	23,820
Legal and professional fees	1,125
Website and IT	2,895
Bank and similar charges	46
Advertising	119
Seminars, functions and events	600
Student needs	39,805
	<u>69,140</u>
Total expenditure	<u><u>69,140</u></u>
Net income	<u><u>5,688</u></u>

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Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2024

	2024 £
Expenditure on charitable activities	
Activity type 1	
<i>Activities undertaken directly</i>	
Direct charitable activity 1 - charitable activities	730
	<hr/>
Governance costs	
Governance costs - wages/salaries and subcontract	23,820
Governance costs - accountancy fees	595
Governance costs - legal and other professional fees	350
Governance costs - bookkeeping and secretarial	180
Governance costs - website and IT	2,895
Governance costs - other finance costs	46
Governance costs - advertising	119
Governance costs - seminars, functions and events	600
Governance costs - student needs	39,805
	<hr/>
	68,410
	<hr/>
Expenditure on charitable activities	69,140
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