

REGISTERED COMPANY NUMBER: 06542197 (England and Wales)
REGISTERED CHARITY NUMBER: 1126533

AL-ISHARAH

Report and Financial Statements

For the Year ended 31 March 2022

**AL-ISHARAH
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2022**

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**AL-ISHARAH
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2022**

LEGAL AND ADMINISTRATIVE INFORMATION

Officers and Professional advisers

TREASURER

A Ismail

TRUSTEES

Mr A Ismail
Mr M Ahmed
Mrs Z Kalim
Mrs J B Hussain
Mr M R Chowdhury
Mr I Cader

REGISTERED OFFICE

4th Floor
46 White Chapel Road
London
E1 1JX

BANKERS

HSBC

EXAMINER

AACSL ACCOUNTANTS LIMITED
1ST Floor
North Westgate House
The High - Harlow
Essex
CM20 1YS

CHARITY NUMBER

1126533

AL-ISHARAH

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 March 2022

The Trustees, for the purposes of the Charities Act 2011, submit their annual report and financial statements for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the Charity. The Charity is governed by a Memorandum and Articles of Association.

PRINCIPAL ACTIVITIES, AIMS AND ORGANISATION OF THE CHARITY

The primary objectives and aims of the charity are to help relieve need amongst, and advance the education of, deaf people by providing or assisting in the provision of training to enable such deaf people to acquire the skills to assist them to obtain employment or otherwise become self-supporting.

The charity also aims to advance the education of the public concerning the special needs of deaf people particularly, but not exclusively, by undertaking research into such need and publishing the useful results thereof more specifically, the aims and objectives of the charity are

THE MAIN ACHIEVEMENTS OF THE ORGANISATION DURING THE PERIOD WERE:

- To make Islamic education accessible and possible for the deaf community.
- To make previously inaccessible Islamic texts (Quran and Hadiths) catered to the language structures used by the deaf community, teaching basic life skills through the use of Islamic topics to encourage self-esteem and confidence.
- To actively raise deaf awareness amongst families and the wider community.
- To develop deaf friendly Islamic resources for the deaf community.
- To provide British Sign Language classes to families whose first language is not English
- To translate Friday Prayer services into British Sign Language.
- To research and understand more about the needs of the deaf Muslim community.

AL-ISHARAH
REPORT OF THE TRUSTEES (Continued)
FOR THE YEAR ENDED 31 March 2022

PLANS FOR THE FUTURE

The Charity will continue to consolidate its programmes and seek their sustainability through individual users

- We plan to effectively develop the programmes as contained in our objective.
- Continue to provide effective human resource development of the deaf through training and skill development.
- Ensure that the charity continue to make quality Islamic education accessible to the deaf and disable person in general.
- To provide effective training to the deaf for their future career.

INCOME GENERATION

The Charity has generated **£426,392** (2021: £558,703) during the year ended March 2022. This includes both direct transfers into charity's account and cash donations.

RISKS

The factors that may affect the Charity's delivery of its objectives include:

- a) Reputation of Charity and the relationship with the community and beneficiaries.

Al-Isharah produces an annual plan for delivery against its objectives. This plan sets out the targets for the year and is then broken down to a work plan. Al-Isharah has developed a strategy, which specifies how it will deliver the key programmes of work. The strategy also identifies targets and performance indicators.

RESERVES POLICY

The Charity aims to build reserve which will enable it to meet its average annual operational need. The Trustees review the reserves held by the Charity on a regular basis to ensure that an appropriate level of funds is held to meet the above policy of the Charity going forward. The charity's funds include restricted and unrestricted funds.

The Trustees have continuously built unrestricted reserves from the direct debit contributions. This started after due consultation with the funders, in order to meet the operational objective of the charity.

AL-ISHARAH

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 March 2022

GOVERNANCE AND INTERNAL CONTROL

A Board of Trustees governs the Charity. New Trustees are selected by the Board of Trustees and are subject to re-election every five years. At 31 March 2022, the Board had a membership of six people.

The Board meets four times a year to agree key policy decisions, set the strategy for the charity and oversee its performance. At present the Board has committee members who are responsible for the day-to-day activities of the charity. None of the committee members is being remunerated.

All Trustees receive the handbook for Trustees provided through the Charity Commission. Each Trustee will have an induction programme by other Trustees and receive an information pack on the Charity and its finances. Beyond this the Charity follows the code of practice for governance produced by the Governance Hub.

Company law requires the Trustees to prepare financial statements for each financial year, which comply with the Charities Act 2011 as amended

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

They include:

- A strategic plan and annual budget approved by the Trustees;
- Regular consideration by the Trustees of financial results, in particular variance from budget; and
- Delegation of authority and segregation of duties.

STATEMENT OF TRUSTEES RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in its activities.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Charities Act 1993 as amended. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

AL-ISHARAH

REPORT OF THE TRUSTEES (continued)

YEAR ENDED 31 March 2022

DISCLOSURE OF INFORMATION TO EXAMINER

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant information of which the Charity's examiner is unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/ herself aware of any relevant information and to establish that the Charity's examiner is aware of that information.

EXAMINER

In line with the provision exemption in the Charities Act 2011 as amended, the trust decided to appoint an examiner, which will review the accounts for the year ended 31 March 2022. In accordance with this appointment, AACSL ACCOUNTANTS LIMITED was appointed as examiner.

Approved by the Board of Trustees and signed on behalf of the Board by:

A Ismail

Trustee

15/12/2022

Independent Examiner's Report to the Trustees of Al-Isharah

I report on the accounts of the Trust for the year ended 31 March 2022, which are set out on pages 9 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- To state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) Which gives me reasonable cause to believe that in any material respect the requirements?

- to keep accounting records in accordance with section 41 of the 1993 Act; and
- To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act as amended.

Have not been met; or

(2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



AACSL ACCOUNTANTS LIMITED

1st Floor
North Westgate House
The High
Harlow
Essex
CM20 1YS

15/12/2022

AL-ISHARAH**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating Income and Expenditure Account)****FOR THE YEAR ENDED 31 March 2022****STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)****YEAR ENDED 31 MARCH 2022**

	Notes	Un-restricted funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOMING RESOURCES					
Donations, Legacies and similar incoming resources		407,245	19,146	426,392	558,704
TOTAL INCOMING RESOURCES	2	407,245	19,146	426,392	558,704
RESOURCES EXPENDED					
Cost of generating funds:					
Cost of generating voluntary Income		-	-	-	-
Charitable Activities:					
Community Projects /Other Resources Expended		92,479	224,323	316,801	257,425
Governance and Accountant Cost		1,159	-	1,159	1,148
TOTAL RESOURCES EXPENDED	3	93,638	224,323	317,961	258,573
Net income/(expenditure)		313,607	(205,176)	108,431	300,131
Funds brought forward		17,070	300,131	317,201	17,070
Net movement in funds and funds balance carried forward as at 31 March 2021		330,677	94,954	425,632	317,201

**AL-ISHARAH
BALANCE SHEET
AS AT 31 MARCH 2022**

	2022	2021
	Total	Total
	£	£
FIXED ASSETS		
Tangible Fixed Assets	1,685	621
Accumulated depreciation	-	-
TOTAL FIXED ASSETS	1,685	621
CURRENT ASSETS		
Debtors and Prepayments	-	-
Cash at bank and in hand	477,105	347,418
	<u>477,105</u>	<u>37,616</u>
CREDITORS: amount falling due within one year	53,158	21,166
CREDITORS: amount falling due after one year	-	-
	<u>423,947</u>	<u>16,450</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	425,631	17,070
FINANCED BY:		
Unrestricted funds	94,954	- 17,138.00
Restricted Funds	330,677	34,208
TOTAL FUNDS	425,631	17,070

For the year ending 31 March 2022, the Charity was entitled to exemption from audit under section 477(2) of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Charities Act 2011.

The trustees acknowledge their responsibility for complying with the requirement of the Charities Act 2011 with respect to Accounting records and the preparation of accounts.

The Accounts was approved by the Board of Trustees and signed on behalf of the Board by:

A Ismail

Trustee

15/12/2022

AL-ISHARAH
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 March 2022

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

Al-Isharah meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

These financial statements for the year ended 31 March 2022 are the first financial statements of the charitable company prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Going concern

The trustees have assessed the charity's ability to continue as a going concern and there are no material uncertainties.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in Note 2.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The grant income where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income being received, the income is accrued.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Premise's overheads have been allocated on a floor basis and other overheads have been allocated on the basis of the head count.

Community project costs are those costs incurred directly in support of the objects of the Charity. The community project cost includes other support costs incurred in support of the objects of the Charity. Governance costs are those incurred in connection with governance arrangement of the Charity, which relate to the general running of the Charity and compliance with constitutional and statutory requirements. The basis of allocation for support costs and governance costs has been explained in Note 3.

Governance costs

This is costs incurred in connection with the governance arrangement of the charity, which relate to the general running of the Charity and compliance with constitutional and statutory requirements. The basis of allocation for support costs and governance costs has been explained in the notes

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

Note 2. TOTAL INCOMING RESOURCES

Voluntary Income	2022	2021
		£
Un-restricted:		
Other income	407,245	124,623
Restricted:		
Standing Order and Direct Collections	19,146	434,081
	<u>426,392</u>	<u>558,704</u>

Note 3. TOTAL RESOURCES EXPENDED

	Direct Costs	Support Costs	2022 Total	2021 Total
	£	£	£	£
Cost of generating funds	-	-		
Charitable Costs	92,479	224,323	316,801	258,573
Governance Costs	1,159	-	1,159	1,148
	<u>93,638</u>	<u>224,323</u>	<u>317,961</u>	<u>259,722</u>

The trust allocates all costs as shown in the table above. Costs are allocated between direct costs and support costs based on the actual expenditure and nature of transactions.

Note 4. TRUSTEES REMUNERATION

The Trustees did not receive any emoluments and no out of pocket expenses were paid during the year (2022: £nil)

Note 5. FIXED ASSETS

	Equipment	2022	2021
	£	£	£
Cost		621	29,836
Additions	-	1,064	-
Revaluation	-	-	-
Disposal	-	-	-
Total Costs	<u>-</u>	<u>1,685</u>	<u>29,836</u>

Basis	Rate	0%	1%	1%
	Balance brought forward	-		29,836
	Charge for the year	-	-	29,836
	Revaluation			
	Impairment			
	Disposal			
	Transfers			
	Balance carried forward	<u>-</u>	<u>-</u>	<u>0</u>

The Charity continues to use component accounting in accordance with provision of FRS15 and Accounting and Reporting by Charities: Statement of Recommended Practice on tangible assets

Note 6. CREDITORS: amount falling due within one year

	2022	2021
	£	£
This is made up as follows:		
Accruals	1,800	1,800
Historical Adjustment		
NIC Payable	27,202	16,006
PAYE Payable	18,331	10,490
Pension	1,332	1,152
Wages Payable	-	2,404
Wages Payable - Payroll	6,897	3,793
	<u>53,158</u>	<u>30,837</u>

Note 7. Total Funds

	2022	2021
	£	£
Reserve brought Forward	108,431	17,070
Surplus/(Deficit) for the year	<u>317,201</u>	<u>300,131</u>
	<u>425,632</u>	<u>317,201</u>

Note 8 - RELATED PARTY TRANSACTIONS

Trustees' Emoluments

During the financial year no salaries or wages have been paid to trustees' including the members of the committee. The trustees did not receive any remuneration for their services (2022: £Nil). However, a Trustee's wife received (£9, 170.20) as payment for teaching services provided by the Charity, an adult daughter of a trustee received (397.50) as payment for an administrative role and an adult son of a trustee received (£300) as a payment for teaching service provided by the charity. The charity did not meet any individual expenses incurred by the trustees for services provided to the charity. There were no transactions with related parties during the year (2022 - nil).

Note 9 - Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.