

COMPANY REGISTRATION NUMBER: 2450405
CHARITY REGISTRATION NUMBER: 802735

The Arab Educational and Cultural Forum
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2022

R C PATEL FCA, FCCA
Chartered Accountant
7 Redbridge Lane East
Redbridge, Ilford
Essex IG4 5ET

The Arab Educational and Cultural Forum

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2022

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The Arab Educational and Cultural Forum

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	The Arab Educational and Cultural Forum
Charity registration number	802735
Company registration number	2450405
Principal office and registered office	29 Lings Coppice London SE21 8SY

The trustees

D S Al-Falaki
Mrs I Auchi

Company secretary D S Al-Falaki

Independent examiner R C Patel, FCA FCCA
7 Redbridge Lane East
Redbridge, Ilford
Essex IG4 5ET

Structure, governance and management

Governing document

The Arab Educational and Cultural Forum is a company limited by guarantee governed by its Memorandum and Articles of Association dated 29 November 1989. It is registered as a charity with the Charity Commission.

Appointment of trustees

Trustees' appointments are governed by the Articles of Association as are terminations of trusteeship.

Recommendation and selection of trustees is the responsibility of the board.

Trustee induction and training

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and the decision making processes and recent and projected financial performance of the charity.

Organisation

The board of trustees administers the charity. The board meets regularly during the year.

The day to day operations of the charity are managed by senior employees.

The Arab Educational and Cultural Forum

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

Year ended 31 August 2022

Structure, governance and management *(continued)*

Risk Management

The trustees carry out an annual review of the risks the charity may face and are satisfied that systems are in place to monitor and control these risks to mitigate any impact they may have on the Charity in the future.

Objectives and activities

The Objects of the Charity are the advancement of public education in Arab language, literature, history and cultural heritage and identity.

Achievements and performance

The Charity has continued to operate its Arabic school in the London area catering for a large number of pupils.

Financial review

The Charity suffered a deficit of £9,121 (2021 - deficit - £8,296) for the year and had accumulated reserves of £81,372 (2021 - £90,492) at 31 August 2022.

Reserves

It is the policy of the Charity to build up the unrestricted funds to a level equivalent to between six and twelve months' expenditure including grants. The trustees consider that the reserves at this level will ensure that, in the event of a significant drop in funding/income, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

Plans for future periods

The charity does not anticipate any change in its operations and expects to continue with its activities and objectives as defined in its governing document.

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 on12/5/23..... and signed on behalf of the board of trustees by:



Mrs I Auchi
Director

The Arab Educational and Cultural Forum

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Arab Educational and Cultural Forum

Year ended 31 August 2022

I report to the trustees on my examination of the financial statements of The Arab Educational and Cultural Forum ('the charity') for the year ended 31 August 2022.

Responsibilities and basis of report

The trustees are also the directors of the company for the purposes of company law are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my 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 my attention.

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.



R C Patel, FCA FCCA
Independent Examiner

7 Redbridge Lane East
Redbridge, Ilford
Essex IG4 5ET

13 May 2023

The Arab Educational and Cultural Forum

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Charitable activities	5	65,969	65,969	43,937
Investment income	6	27	27	11
Total income		<u>65,996</u>	<u>65,996</u>	<u>43,948</u>
Expenditure				
Expenditure on charitable activities	7,8	75,117	75,117	52,244
Total expenditure		<u>75,117</u>	<u>75,117</u>	<u>52,244</u>
Net expenditure and net movement in funds		<u>(9,121)</u>	<u>(9,121)</u>	<u>(8,296)</u>
Reconciliation of funds				
Total funds brought forward		90,493	90,493	98,789
Total funds carried forward		<u>81,372</u>	<u>81,372</u>	<u>90,493</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 6 to 11 form part of these financial statements.

The Arab Educational and Cultural Forum

Company Limited by Guarantee

Statement of Financial Position

31 August 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	14		632	1,166
Current assets				
Stocks	15	4,000		8,137
Cash at bank and in hand		<u>77,870</u>		<u>83,250</u>
		81,870		91,387
Creditors: amounts falling due within one year	16	<u>1,130</u>		<u>2,060</u>
Net current assets			80,740	89,327
Total assets less current liabilities			81,372	90,493
Net assets			81,372	90,493
Funds of the charity				
Unrestricted funds			81,372	90,493
Total charity funds	17		81,372	90,493

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 on12/5/22....., and are signed on behalf of the board by:

Mrs I Auchi
Director

The notes on pages 6 to 11 form part of these financial statements.

The Arab Educational and Cultural Forum

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 29 Lings Coppice, London SE21 8SY.

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

While there was a deficit of £9,121 for the current year (2001 - deficit £8,296), the Charity has reserves of £81,372. In the opinion of the trustees, there are no material uncertainties about the Charity's ability to continue for the foreseeable future.

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.

The Arab Educational and Cultural Forum

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Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Incoming resources

All income is 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 policy is applied to the principal category of income:

Income from tuition fees receivable and income from other educational activities is evenly recognised over the terms in the academic year.

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

All fixed assets are initially recorded at cost.

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:

Equipment - 15% straight line

Stocks

Stocks, which consist of books, are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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Notes to the Financial Statements (continued)

Year ended 31 August 2022

4. Limited by guarantee

Members' liability is limited to £1 per member.

5. Charitable activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
School fees	<u>65,969</u>	<u>65,969</u>	<u>43,937</u>	<u>43,937</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>27</u>	<u>27</u>	<u>11</u>	<u>11</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
School running costs	74,088	74,088	50,883	50,883
Support costs	1,029	1,029	1,361	1,361
	<u>75,117</u>	<u>75,117</u>	<u>52,244</u>	<u>52,244</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
School running costs	74,088	–	74,088	50,883
Governance costs	–	1,029	1,029	1,361
	<u>74,088</u>	<u>1,029</u>	<u>75,117</u>	<u>52,244</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
Governance costs	<u>1,029</u>	<u>1,029</u>	<u>1,361</u>

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Notes to the Financial Statements (continued)

Year ended 31 August 2022

10. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>534</u>	<u>291</u>

11. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>780</u>	<u>860</u>

12. Staff costs

The average head count of employees during the year was 24 (2021: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Teachers and administrators	<u>6</u>	<u>5</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.

No trustee expenses have been incurred.

14. Tangible fixed assets

	Equipment	Total
	£	£
Cost		
At 1 September 2021 and 31 August 2022	<u>3,561</u>	<u>3,561</u>
Depreciation		
At 1 September 2021	2,395	2,395
Charge for the year	534	534
At 31 August 2022	<u>2,929</u>	<u>2,929</u>
Carrying amount		
At 31 August 2022	<u>632</u>	<u>632</u>
At 31 August 2021	<u>1,166</u>	<u>1,166</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

15. Stocks

	2022	2021
	£	£
Books	<u>4,000</u>	<u>8,137</u>

16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	1,030	2,060
Social security and other taxes	<u>100</u>	<u>-</u>
	<u>1,130</u>	<u>2,060</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 September 2021	Income	Expenditure	At 31 August 2022
	£	£	£	£
General funds	<u>90,493</u>	<u>65,996</u>	<u>(75,117)</u>	<u>81,372</u>

	At 1 September 2020	Income	Expenditure	At 31 August 2021
	£	£	£	£
General funds	<u>98,789</u>	<u>43,948</u>	<u>(52,244)</u>	<u>90,493</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	632	632
Current assets	81,870	81,870
Creditors less than 1 year	(1,130)	(1,130)
Net assets	<u>81,372</u>	<u>81,372</u>

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,166	1,166
Current assets	91,387	91,387
Creditors less than 1 year	(2,060)	(2,060)
Net assets	<u>90,493</u>	<u>90,493</u>

19. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2021 - Nil).