

**Compass Learning Centre**

**Compass Learning Centre**

**Registered Charity**

**Financial statements for the year ended 30 June 2019**

Charity number	111848 9
Company number	066251 53

**Compass Learning Centre**

**Charity Number:** 1118489

**Company Number:** 06625153

**Principal Address:** Partington House  
90 Stock Lane  
Oldham  
OL9 9EY

**Directors and Trustees:** Mr Mohammad Shofiqur Rahman  
Mr Muhammad Afzal Ali  
Mr Muhammad Akmal Hussain  
Mr Samiur Rahman  
Mr Fuad Ahmed (Chair)

**Governing Document:** Constitution adopted 10  
December 2006

**Accountant and Independent Examiners:** ATS  
Accountants 8 Rochdale Road  
Royton  
Oldham  
OL2 6QJ

## Compass Learning Centre

## Compass Learning Centre

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## **Compass Learning Centre**

## **Compass Learning Centre**

### **Report of the Trustees for the year ended 30 June 2019**

The Trustees of Compass Learning Centre are pleased to present their annual report and independently examined financial statements for the year ended 30 June 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) and Accounting Standards Charities Act 2011.

### **Principle objectives and activities**

The main objectives of the organisation are:

- 1) TO ADVANCE ISLAMIC EDUCATION
- 2) TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE NATIONAL CURRICULUM SUBJECTS.
- 3) THE RELIEF OF PEOPLE SUFFERING FROM DRUGS AND ALCOHOL ABUSE.
- 4) THE PROMOTION OF RELIGIOUS HARMONY FOR THE BENEFIT OF THE PUBLIC BY:
  - A) EDUCATING THE PUBLIC IN DIFFERENT RELIGIOUS BELIEFS INCLUDING AN AWARENESS OF THEIR DISTINCTIVE FEATURES AND THEIR COMMON GROUNDS TO PROMOTE GOOD RELATIONS BETWEEN PERSONS OF DIFFERENT FAITHS."

### **Activities and achievements in the year**

#### **Our Educational programs**

1. Alif Academy – This year we have continued with Safar Academy syllabus. It is a very comprehensive syllabus put together for children to understand Islam in this modern society. It has been very beneficial for our students.
2. Tahfeez-ul Qur'an – This year we have had more students completing the memorisation of the full Qur'an. They were awarded at the annual conference as usual.
3. Hajj seminar - a practical demonstration and guide to Hajj rituals. 2019 was our 11th annual hajj seminar/training. We were the first to offer this training, and to date, many hundreds of people continue to benefitted from this free seminar.
4. Fiqh of Ramadan - one day intensive course covering all relevant issues pertaining to Ramadan & fasting.
5. Zakat seminar which deals with all issues of zakat, particularly modern financial assets such stocks, pensions etc.



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6. Tarawi prayers during Ramadan and general advice to the congregation on Islam.
7. Fiqh of marriage - a one day intensive course packed with recipes for a successful marriage. This is a supplementary offering of Compass Matrimony.
8. Talks on various aspects of the Quran during Ramadan to rekindle our passion for the words of Allah and be informed on the subject of Quran which is entitled 'Quran Series.'  
This series has been offered for the last 6 years and is also a part of our inter-mosque networking efforts. Different scholars from CLC offer talks from the series in different mosques across Oldham which helps our networking efforts and the series is concluded with CLC's Annual Community Iftar.
9. One-day intensive courses delivered in modern academic styles by Ulama and professionals on various relevant subjects.
10. Annual conference: an annual event where we organise, host and invite reputable scholars to address pertinent issues. The last conference was our 14th annual event.

## Our Community Services

1. **Compass guidance & Fatwa Department:** We have a dedicated fatwa department managed by our panel of Muftis who are committed to answering your Islamic legal issues or any other question or query that people may have about Islam.
2. **Compass Matrimony:** We offer match making, marriage advice, courses related to marriage. We also conduct Islamic marriage and have our own marriage certification service. Many people are using and benefitting from this service and to date we have made over 200 matches.
3. **Youth Work & Activities:** We organise events and activities for the youth to ensure that our youth are not engaged in activities that are contrary to Islamic teachings and values. We try to communicate to them through mediums that are effective. We have set up a dedicated games room for our Muslim youth in our new building and have already hosted several youth event at the new building. We have Compass Scouts operating for younger children. We have introduced professional development workshops and leadership trainings for college and university students and normal community members.
4. **Compass Scouts:** Compass Scouts was set up in 2015 to provide enriching extra-curricular opportunities to the young muslim children of Oldham.

Scouts was chosen as the model we wanted to follow as it has a structured programme, growing number of Muslims joining scouts and at present stands at 1.6 billion and is also recognised worldwide. We are driven by the belief that young British Muslims can grow and develop into responsible, productive and pivotal members of their local, national and international communities, when they have the chance to experience the everyday adventure of Scouting. Scouting has proven itself as a system for the development of individuals from all backgrounds for over 100 years and we pray that the scouts within our programme aged 6-14 will go on to become the future role models and leaders of our communities in years to come.

5. **Inter-Mosque Activities:** We endeavour to create a network of mosques who are committed to what CLC is committed to; who share the same passion of achieving excellence in Islamic education and community development. This network of mosques

## **Compass Learning Centre**

will allow us to collaborate, share resources and, most importantly, create a sense of community and solidarity. One of our feature inter-mosque event is our free inter-mosque tournament for mosque students. This event is going from strength to strength and in the last couple of years has attracted over 22 teams per tournament. As part of our commitment to inter-mosque networking we are devising an educational framework for mosques of Oldham which aims to improve the provisions of mosques.

6. **Food Drive campaign:** we work with our network of mosques and collect non-perishable foods for our less fortunate brothers and sisters in humanity which we donate to a registered food bank. This service allows us to empathise and practically demonstrate the empathetic teachings of our religion. This campaign has been well-received by our community and we intend to keep up the support for this sort of activity.

### **Renovating the New building**

Since the purchase of our new premise in December 2014, we have had a number of renovation works carried out to make it fit for use. This includes internal partitions, adding more toilets electrical and plumbing work. In 2019 we continue to carryout enhancement works regularly in the building.

### **Governance, Structure and Management**

The Trust is constituted as a charitable trust registered with the Charity Commission. It is governed by a constitution.

The charity trustees are responsible for the general control and management of the charity.

The trustees give their time freely and receive no remuneration or other financial benefits.

"The trustees meet together as a body quarterly and are responsible for all decisions taken in relation to running the organisation and the activities provided by the charity. At the

quarterly meetings, the Trustees review the charity's financial position, progress, issues and direction of the organisation."

### **Recruitment and appointment of trustees**

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of both elders and other members of the organisation. The trustees believe this approach ensures that new trustees are respected and trustworthy members of the faith and local communities and ensures that good relations are fostered between the Trust and the people of the local community that we serve.

In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all



agree, they are then proposed as new trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

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### **Risk management**

The Trustees routinely review risks relevant to the charity and take mitigating actions to manage such risks. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified.

### **Financial Review**

In this financial year, the Trust made a surplus of £14,294. With the increase in demand for services and support for the charity, the financial outlook going forward is positive. The Trustees will continue to work towards ensuring that the charity achieves its key objectives.

### **Reserve Policy**

The Trustees have established a policy whereby the unrestricted funds held by the charity should be sufficient to cover four months of the resources expended. The Trustees will ensure that the restricted funds are expended so that the conditions attached to such funds are met. At present, the level of unrestricted funds exceeds the target level.

### **Trustees and their responsibilities**

Charity trustees are the people who serve on the governing body of a charity. They may be known as trustees, board members, governors or committee members.

The principles and main duties are the same in all cases. Trustees have, and must accept, ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and meeting the needs for which it has been set up.

On behalf of all Trustees

fahmed

F Ahmed, Chair of the Board of Trustees

15 May 2020

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## **Compass Learning Centre**

### **Independent examiner's report to the trustees of Compass Learning Centre**

I report on the Financial Statements of the Charity for the year ended 30 June 2019 which are set out on pages 9 to 18.

#### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10 (1) (a) to (c) of The Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of the Chartered Institute of Public Finance and Accountancy.

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.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **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 44(1)(a) of the 2005 Act; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the section 44(1)(b) of the 2005 Act; and
  - which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities 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.

Tanvir Alam BSc (Hons) CPFA

**On behalf of ATS Accountants**

## Compass Learning Centre

Financial statements for the year ended 30 June 2019

### Statement of Financial Activities

	Unrestricte d funds £ 2019	Restricted funds £ 2019	Endowment funds £ 2019	Total funds £ 2019	Prior year funds £ 2018
<b>Incoming resources (Note 3)</b>					
<b>Income and endowments from:</b>					
Donations and legacies	48,717	-	-	48,717	85,517
Charitable activities	89,283	-	-	89,283	60,753
Gift aid income	-	-	-	-	10,929
<b>Total</b>	<b>138,000</b>	<b>-</b>	<b>-</b>	<b>138,000</b>	<b>157,199</b>
<b>Resources expended (Note 4)</b>					
<b>Expenditure on:</b>					
Raising funds	-	-	-	-	-
Charitable activities	122,906	-	-	122,906	104,948
Governance costs	800	-	-	800	1,200
Administrative expenses	-	-	-	-	-
<b>Total</b>	<b>123,706</b>	<b>-</b>	<b>-</b>	<b>123,706</b>	<b>106,148</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>	<b>14,294</b>	<b>-</b>	<b>-</b>	<b>14,294</b>	<b>51,051</b>
Net gains/(losses) on investments	-	-	-	-	-
<b>Net income/(expenditure) Other recognised gains/(losses):</b>	<b>14,294</b>	<b>-</b>	<b>-</b>	<b>14,294</b>	<b>51,051</b>
Gains and losses on revaluation of fixed assets for the charity's own use	-	-	-	-	-
<b>Net movement in funds</b>	<b>14,294</b>	<b>-</b>	<b>-</b>	<b>14,294</b>	<b>51,051</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	<b>71,972</b>	<b>-</b>	<b>-</b>	<b>71,972</b>	<b>20,921</b>
<b>Total funds carried forward</b>	<b>86,266</b>	<b>-</b>	<b>-</b>	<b>86,266</b>	<b>71,972</b>



# Compass Learning Centre

## Financial statements for the year ended 30 June 2019

### Balance Sheet

	Notes	Unrestricted funds £ 2019	Restricted funds £ 2019	Endowment funds £ 2019	Total this year £ 2019	Total last year £ 2018
<b>Fixed assets</b>						
Tangible assets	8	319,463	-	-	319,463	340,219
<b>Total fixed assets</b>		319,463	-	-	319,463	340,219
<b>Current assets</b>						
Cash at bank and in hand	11	11,947	-	-	11,947	14,368
<b>Total current assets</b>	10	148,944	-	-	148,944	184,015
<b>Creditors: amounts falling due within one year</b>		-136,997	-	-	-136,997	-169,647
<b>Net current assets/ (liabilities)</b>		182,466	-	-	182,466	170,572
<b>Total assets less current liabilities</b>		96,200	-	-	96,200	98,600
<b>Creditors: amounts falling due after one year</b>		86,266	-	-	86,266	71,972
<b>Total net assets or liabilities</b>		86,266	-	-	86,266	71,972
<b>Funds of the Charity</b>						
<b>Unrestricted funds Total funds</b>		<b>86,266</b>	<b>-</b>	<b>-</b>	<b>86,266</b>	<b>71,972</b>

Signed by one or two trustees on behalf of all the trustees:

Signature

Print Name

Date of approval  
(DD/MM/YYYY)





## Compass Learning Centre

### Financial statements for the year ended 30 June 2019

#### Notes to the Accounts

##### Note 1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014;
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); and
- with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

##### Note 2 Accounting policies

###### 2.1 INCOME

**Recognition of income** These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

###### **Grants and donations**

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

###### **Tax reclaims on donations and gifts**

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

###### **Donated goods**

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

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### Financial statements for the year ended 30 June 2019

Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.

Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.

#### **Donated services and facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

#### **Support costs**

The charity has incurred expenditure on support costs.

#### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

## **2.2 EXPENDITURE AND LIABILITIES**

#### **Liability recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

#### **Governance and support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**Deferred income** No material item of deferred income has been included in the accounts.



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### Financial statements for the year ended 30 June 2019

**Creditors** The charity has creditors which are measured at settlement amounts less any trade discounts

**Basic financial instruments** The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

### 2.3 ASSETS

**Tangible fixed assets for use at initial** These are capitalised if they can be used for more than one year, and cost at least They are valued at cost

**Debtors** The depreciation rates and methods used are disclosed in note 9.2. Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

### Note 3

#### Analysis of income

Analysis	Analysis of income			Total funds 2019 £	Prior year 2018 £
	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £		
Donations and gifts	48,717	-	-	48,717	85,517
Charitable activities	89,283	-	-	89,283	60,753
Gift aid income	-	-	-	-	10,929
<b>Total</b>	<b>138,000</b>	<b>-</b>	<b>-</b>	<b>138,000</b>	<b>157,199</b>



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Financial statements for the year  
ended 30 June 2019**

		<b>Unrest</b>	<b>Restrict</b>	<b>Endowmen</b>	<b>Total</b>	<b>Prior</b>
		<b>riced</b>	<b>ed</b>	<b>ts</b>	<b>funds</b>	<b>year</b>
		<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
		<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
<b>Analysis</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expenditure on charitable activities</b>	Charitable activities	122,906	-	-	122,906	104,948
	Raising funds	-	-	-	-	-
	Governance costs	800	-	-	800	1,200
	Administrative expenses	-	-	-	-	-
	<b>Total expenditure on charitable activities</b>	<b>123,706</b>	<b>-</b>	<b>-</b>	<b>123,706</b>	<b>106,148</b>

**Note 5**

**Support costs**

<b>Support cost</b>	<b>Expenditure incurred in</b>		<b>Activit</b>	<b>Activit</b>	<b>Grand</b>	<b>Basis of</b>
	<b>Raising</b>	<b>running the</b>				
	<b>funds</b>	<b>charity</b>	<b>2</b>	<b>3</b>	<b>total</b>	<b>n</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>(Describe</b>
Governance costs	-	800	-	-	800	Direct
Administrative expenses	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>800</b>	<b>-</b>	<b>-</b>	<b>800</b>	

**Compass Learning Centre**

**Financial statements for the year ended 30 June 2019**

**Note 6                      Details of certain items of expenditure**

**Fees for examination of the accounts**

**Independent examiner's fees**

**Assurance services other than audit or independent examination**

**Tax advisory fees**

**Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner**

<b>This year (£)</b>	<b>Last year (£)</b>
200	200
-	-
-	-
600	1,000

## **Note 7                      Paid employees**

### **7.1 Staff Costs**

	<b>This year £</b>	<b>Last year £</b>
<b>Total staff costs</b>	52,751	55,261

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

### **7.2 Average head count in the year**

#### **The parts of the charity in which**

**the employees work**

**Fundraising  
Charitable  
Activities**



**This  
year  
Number**

-  
14

**Last  
year  
Number**

-  
14

**Governance**

**Total**

-  
**14**

-  
**14**

**Compass Learning  
Centre  
Financial statements for the year ended  
30 June 2019**

**Note 8**

**8.1 Tangible fixed  
assets**

	<b>Freehold land &amp; buildings</b>	<b>Other land &amp; buildings</b>	<b>Plant, machinery and motor vehicles</b>	<b>Fixtures, fittings and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At the beginning of the year	329,794	-	-	82,004	411,798
Additions	850	-	-	4,319	5,169
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	330,644	-	-	86,323	416,967

**8.2 Depreciation and  
impairments**

<b>**Basis</b>	N/A	N/A	N/A	Straight Line	N/A
<b>** Rate</b>					

At beginning of the year	42,959	-	-	28,620	71,579
Disposals	-	-	-	-	-
Depreciation	14,384	-	-	11,540	25,924
Impairment	-	-	-	-	-
Transfers	-	-	-	-	-
At end of the year	57,343	-	-	40,160	97,503



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### Financial statements for the year ended 30 June 2019

#### 8.3 Net book value

Net book value at the beginning of the year	286,836	-	-	53,383	340,219
Net book value at the end of the year	273,301	-	-	46,162	319,463

#### Debtors and prepayments

##### Note 9

The Charity does not have any debtors or prepayments balances as at year end.

#### Note 10 Creditors and accruals

##### 10.1 Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Trade creditors	3,839	2,910	-	-
Qard e hasana	145,105	181,105	-	-
Community loan - building	-	-	96,200	98,600
<b>Total</b>	<b>148,944</b>	<b>184,015</b>	<b>96,200</b>	<b>98,600</b>

#### Note 11 Cash at bank and in hand

##### Cash at bank and on hand Total

<b>This year £</b>	<b>Last year £</b>
11,947	14,368
<b>11,947</b>	<b>14,368</b>

**Note 12                      Transactions with trustees and related parties**

**12.1 Trustee remuneration and benefits**

One of the Trustees, Mr. Fuad Ahmed, was employed by the Charity during the year and total remuneration in the year was £8,189 (2018: £6,075).

**12.2 Trustees' expenses**

The charity paid trustees no expenses for fulfilling their duties.

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### **Financial statements for the year ended 30 June 2019**

#### **Note 13     Audit exemption per Companies House Act**

For the year ending 30 June 2019, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts 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 accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.