

**Compass Learning Centre**

**Registered Charity**

**Financial statements for the year ended 30 June 2017**

Charity number 1118489

Company number 6625153

**Charity Number:** 1118489

**Company Number:** N/A

**Principal Address:** 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

**Bankers:** HSBC Plc

**Accountant and Independent Examiners:** ATS Accountants  
566 Middleton Road  
Oldham  
Lancashire  
OL9 0HF

## Compass Learning Centre

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## **Compass Learning Centre**

### **Report of the Directors and Trustees for the year ended 30 June 2017**

The Trustees of Compass Learning Centre are pleased to present their annual report and independently examined financial statements for the year ended 30 June 2017. 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. 2017 was our 9th annual hajj seminar/training. We were the first to offer this training, and to date, many hundreds of people have 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.
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 12th annual event.

### **Our Community Services**

1. **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 you may have about Islam.
2. **Compass Matrimony:** We offer match making, marriage advice, courses related to marriage. We also conduct Islamic nikah and have our own marriage certificate. Many people are using and benefitting from this service and to date we have made over 100 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. 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 youth 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 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. 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 monthly and are responsible for all decisions taken in relation to running the organisation and the activities provided by the charity. At the monthly 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.

#### 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/(loss) of £20,921. 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

Mr Fuad Ahmed

Chair

30 October 2018

## **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 2017 which are set out on pages 10 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 2017

Statement of Financial Activities

	Unrestricted funds £ 2017	Restricted funds £ 2017	Endowment funds £ 2017	Total funds £ 2017	Prior year funds £ 2016
<b>Incoming resources (Note 3)</b>					
<b>Income and endowments from:</b>					
Donations and legacies	50,636	-	-	50,636	17,468
Charitable activities	65,881	-	-	65,881	24,051
Gift aid income	10,207	-	-	10,207	-
<b>Total</b>	<b>126,724</b>	<b>-</b>	<b>-</b>	<b>126,724</b>	<b>41,529</b>
<b>Resources expended (Note 4)</b>					
<b>Expenditure on:</b>					
Raising funds	4,240	-	-	4,240	2,280
Charitable activities	85,996	-	-	85,996	73,853
Governance costs	200	-	-	200	600
Administrative expenses	1,200	-	-	1,200	2,600
<b>Total</b>	<b>91,636</b>	<b>-</b>	<b>-</b>	<b>91,636</b>	<b>79,333</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>	<b>35,088</b>	<b>-</b>	<b>-</b>	<b>35,088</b>	<b>-37,804</b>
Net gains/(losses) on investments	-	-	-	-	-
<b>Net income/(expenditure)</b>	<b>35,088</b>	<b>-</b>	<b>-</b>	<b>35,088</b>	<b>-37,804</b>
<b>Other recognised gains/(losses):</b>					
Gains and losses on revaluation of fixed assets for the charity's own use	-	-	-	-	-
<b>Net movement in funds</b>	<b>35,088</b>	<b>-</b>	<b>-</b>	<b>35,088</b>	<b>-37,804</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	<b>-14,167</b>	<b>-</b>	<b>-</b>	<b>-14,167</b>	<b>23,637</b>
<b>Total funds carried forward</b>	<b>20,921</b>	<b>-</b>	<b>-</b>	<b>20,921</b>	<b>-14,168</b>

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Financial statements for the year ended 30 June 2017

Balance Sheet

	Notes	Unrestricted funds £ 2017	Restricted funds £ 2017	Endowment funds £ 2017	Total this year £ 2017	Total last year £ 2016
<b>Fixed assets</b>						
Tangible assets	8	330,911	-	-	330,911	289,612
<b>Total fixed assets</b>		330,911	-	-	330,911	289,612
<b>Current assets</b>						
Cash at bank and in hand	11	14,826	-	-	14,826	53,786
<b>Total current assets</b>		14,826	-	-	14,826	53,786
<b>Creditors: amounts falling due within one year</b>	10	226,816	-	-	226,816	251,565
<b>Net current assets/(liabilities)</b>		-211,990	-	-	-211,990	-197,779
<b>Total assets less current liabilities</b>		119,921	-	-	119,921	91,833
<b>Creditors: amounts falling due after one year</b>		98,600	-	-	98,600	106,000
<b>Total net assets or liabilities</b>		20,921	-	-	20,921	-14,167
<b>Funds of the Charity</b>						
Unrestricted funds		20,921	-	-	20,921	-14,167
<b>Total funds</b>		20,921	-	-	20,921	-14,167

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

Signature	Print Name	Date of approval (DD/MM/YYYY)
<i>F Ahmed</i>	Fuad Ahmed	30/10/2018

## 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).

##### Tax reclaims on donations and gifts

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.

##### Donated goods

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

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.

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

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### Financial statements for the year ended 30 June 2017

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.

#### **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

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### Financial statements for the year ended 30 June 2017

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

The depreciation rates and methods used are disclosed in note 9.2.

**Debtors** 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

	Unrestricted funds 2017	Restricted funds 2017	Endowment funds 2017	Total funds 2017	Prior year 2016
Analysis	£	£	£	£	£
Donations and gifts	50,636	-	-	50,636	17,478
Charitable activities	65,881	-	-	65,881	24,051
Gift aid income	10,207	-	-	10,207	-
<b>Total</b>	<b>126,724</b>	<b>-</b>	<b>-</b>	<b>126,724</b>	<b>41,529</b>

#### Note 4 Analysis of expenditure

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year
Analysis	2017 £	2017 £	2017 £	2017 £	2016 £
<b>Expenditure on charitable activities</b>					
Charitable activities	85,996	-	-	85,996	73,853
Raising funds	4,240	-	-	4,240	2,280
Governance costs	200	-	-	200	600
Administrative expenses	1,200	-	-	1,200	2,600
<b>Total expenditure on charitable activities</b>	<b>91,636</b>	<b>-</b>	<b>-</b>	<b>91,636</b>	<b>79,333</b>

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Financial statements for the year ended 30 June 2017

**Note 5 Support costs**

Support cost	Raising funds	Expenditure incurred in running the charity	Activity 2	Activity 3	Grand total	Basis of allocation (Describe method)
	£	£	£	£	£	
Governance costs	-	200	-	-	200	Direct
Administrative expenses	-	1,200	-	-	1,200	Direct
<b>Total</b>	-	1,400	-	-	1,400	

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

**Fees for examination of the accounts**

	This year (£)	Last year (£)
Independent examiner's fees	200	200
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	-	400

**Note 7 Paid employees**

**7.1 Staff Costs**

	This year £	Last year £
<b>Total staff costs</b>	44,460	26,366

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**

		This year Number	Last year Number
The parts of the charity in which the employees work	Fundraising	-	-
	Charitable Activities	14	7
	Governance	-	-
	<b>Total</b>	14	7

**Note 88.1 Tangible fixed assets**

	Freehold land & buildings	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
At the beginning of the year	301,678	-	-	7,573	309,251
Additions	26,286	-	-	38,511	64,797
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	327,964	-	-	46,084	374,048

**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	12,067	-	-	7,573	19,640
Disposals	-	-	-	-	-
Depreciation	15,795	-	-	7,702	23,497
Impairment	-	-	-	-	-
Transfers	-	-	-	-	-
At end of the year	27,862	-	-	15,275	43,137

**8.3 Net book value**

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**Financial statements for the year ended 30 June 2017**

Net book value at the beginning of the year	289,611	-	-	-	289,611
Net book value at the end of the year	300,102	-	-	30,809	330,911

**Note 9 Debtors and prepayments**

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	1,191	1,550	-	-
Qard e hasana	225,025	250,015	-	-
Community loan – building	-	-	98,600	106,000
<b>Total</b>	<b>226,216</b>	<b>251,565</b>	<b>98,600</b>	<b>106,000</b>

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

	This year £	Last year £
Cash at bank and on hand	14,826	53,786
<b>Total</b>	<b>14,826</b>	<b>53,786</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 £4,139 (2015: £2,806).

**12.2 Trustees' expenses**

The charity paid trustees no expenses for fulfilling their duties.

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



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**Financial statements for the year ended 30 June 2017**

For the year ending 31 March 2017, 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.