

**ZAKAT AID**

**Registered Charity**

**Financial statements for the year ended 31 March 2023**

Charity number

1198794

**Charity Number:** 1198794

**Principal Address:** Unit F1  
The Whitechapel Centre  
85 Myrdle Street  
London  
E1 1HL

**Directors and Trustees:** Mr Zuber Karim (Chair)  
Mr Muhammed Shah Ahmed Choudhury  
Mr Ruhelur Rahman Khan

**Governing Document:** Constitution adopted 29 April 2022

**Accountants and Independent Examiners:** Edelle Accountants and Tax  
Advisors Ltd  
275 Featherstall Road North  
Oldham  
OL1 2NJ

**Compass Learning Centre**

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## **Report of the Trustees for the year ended 31 March 2023**

The Trustees of Zakat Aid are pleased to present their annual report for the year ended 31 March 2023. 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) the provision of monetary grants, payments or in-kind aid for individuals, charities, educational trusts, or other organisations working to relieve or prevent poverty.
- 2) the provision and use of Zakat funds for the Muslim community.
- 3) raising awareness and educating the public on the subject of Zakat and voluntary giving.

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

#### **Our Educational programs**

1. In this year we have been setting up all necessary procedures to run this charity as efficiently as possible in the near future.

#### **Our Community Services**

1. **Youth Work & Activities:** We plan on organising 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 made plans to introduce professional development workshops and leadership trainings for college and university students and normal community members.

## **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.

## **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 £29,311. 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

*Zuber Karim*

Zuber Karim , Chair of the Board of Trustees

10 September 2024

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

I report on the Financial Statements of the Charity for the year ended 31 March 2023 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.

F Iqbal (CFA, ACCA, MBA, MCSE)

**On behalf of Edelle Accountants and Tax Consultants Ltd**

## Financial statements for the year ended 31 March 2023

## Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Prior year funds £
	2023	2023	2023	2023	2022
<b>Incoming resources (Note 3)</b>					
<b>Income and endowments from:</b>					
Donations and Charitable activities	260	-	-	260	-
Charitable activities	-	-	-	-	-
Covid Grants received	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Total</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>-</b>
<b>Resources expended (Note 4)</b>					
<b>Expenditure on:</b>					
Raising funds	-	-	-	-	-
Charitable activities	-	-	-	-	-
Governance costs	-	-	-	-	-
Administrative expenses	248	-	-	248	-
<b>Total</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>248</b>	<b>-</b>
<b>Net income/(expenditure) before investment gains/(losses)</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>
Net gains/(losses) on investments	-	-	-	-	-
<b>Net income/(expenditure)</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</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>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds carried forward</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>-</b>



## Zakat Aid

Financial statements for the year ended 31 March 2023

### Balance Sheet

		Unrestricted funds £	Restricted funds £	Endowment funds £	Total this year £	Total last year £
	Notes	2023	2023	2023	2023	2022
<b>Fixed assets</b>						
Tangible assets	8	-	-	-	-	-
<b>Total fixed assets</b>		-	-	-	-	-
<b>Current assets</b>						
Cash at bank and in hand	11	3,212	-	-	3,212	-
Debtors	9	-	-	-	-	-
<b>Total current assets</b>		3,212	-	-	3,212	-
<b>Creditors: amounts falling due within one year</b>	10	200	-	-	200	-
<b>Net current assets/(liabilities)</b>		3,012	-	-	3,012	-
<b>Total assets less current liabilities</b>		3,012	-	-	3,012	-
<b>Creditors: amounts falling due after one year</b>		3,000	-	-	3,000	-
<b>Total net assets or liabilities</b>		12	-	-	12	-
<b>Funds of the Charity</b>						
Unrestricted funds		12	-	-	12	-
<b>Total funds</b>		12	-	-	12	-

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

Signature	Print Name	Date of approval (DD/MM/YYYY)

## 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

<b>Recognition of income</b>	<p>These are included in the Statement of Financial Activities (SoFA) when:</p> <ul style="list-style-type: none"><li>• the charity becomes entitled to the resources;</li><li>• it is more likely than not that the trustees will receive the resources; and</li><li>• the monetary value can be measured with sufficient reliability.</li></ul>
<b>Grants and donations</b>	<p>Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).</p> <p>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).</p>
<b>Tax reclaims on donations and gifts</b>	<p>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.</p>
<b>Donated goods</b>	<p>Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.</p> <p>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.</p>

## Zakat Aid

### Financial statements for the year ended 31 March 2023

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.

## Zakat Aid

### Financial statements for the year ended 31 March 2023

**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 by charity** 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

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year
	2023	2023	2023	2023	2022
Analysis	£	£	£	£	£
Donations and gifts	260	-	-	260	-
Charitable activities	-	-	-	-	-
Covid Grant received	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Total</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>-</b>

## Zakat Aid

Financial statements for the year ended 31 March 2023

### Note 4 Analysis of expenditure

	Analysis	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year
		2023	2023	2023	2023	2022
		£	£	£	£	£
<b>Expenditure on charitable activities</b>	Charitable activities	-	-	-	-	-
	Raising funds	-	-	-	-	-
	Governance	-	-	-	-	-
	costs	-	-	-	-	-
	Administrative expenses	248	-	-	248	-
	<b>Total expenditure on charitable activities</b>	<b>248</b>	<b>-</b>	<b>-</b>	<b>248</b>	<b>-</b>

### Note 7 Paid employees

#### 7.1 Staff Costs

	This year	Last year
	£	£
<b>Total staff costs</b>	<b>-</b>	<b>-</b>

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 Governance	This year	Last year
		Number	Number
		-	-
		-	-
		-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note 8**

**8.1 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	-	-	-	-	-
Additions	-	-	-	-	-
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers *	-	-	-	-	-
At end of the year	-	-	-	-	-

**8.2 Depreciation and impairments**

<b>**Basis</b>	Reducing Balance	N/A	N/A	Reducing Balance	N/A
<b>** Rate</b>	5%			20%	

At beginning of the year	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
Transfers	-	-	-	-	-
At end of the year	-	-	-	-	-

## Financial statements for the year ended 31 March 2023

**8.3 Net book value**

Net book value at the beginning of the year

Net book value at the end of the year

-	-	-	-	-
-	-	-	-	-

**Note 9****Debtors and prepayments**

Debtors

Total

This year £	Last year £
-	-
-	-

**Note 10****Creditors and accruals**

Trade creditors

Accruals

Long term

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year £	Last year £	This year £	Last year £
-	-	-	-
200	-	-	-
-	-	3,000	-
200	-	3,000	-

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

Cash at bank and on hand

Total

This year £	Last year £
3,212	-
3,212	-

**Note 12****Transactions with trustees and related parties****12.1 Trustee remuneration and benefits**

None of the Trustees have taken any remuneration from the charity

**12.2 Trustees' expenses**

The charity paid trustees no expenses for fulfilling their duties.

**Financial statements for the year ended 31 March 2023**

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

For the year ending 31 March 2023, 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.