

CHARITY REGISTRATION NUMBER: 1058672

**Iraqi Welfare Association**  
**Financial Statements**  
**31 July 2022**

**DEITCH COOPER LLP**  
1st Floor, 3 Hobbs House  
Harrovian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

# **Iraqi Welfare Association**

## **Financial Statements**

**Year ended 31 July 2022**

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# **Iraqi Welfare Association**

## **Trustees' Annual Report**

**Year ended 31 July 2022**

The trustees present their report and the financial statements of the charity for the year ended 31 July 2022.

### **Reference and administrative details**

**Registered charity name** Iraqi Welfare Association

**Charity registration number** 1058672

**Principal office** 85 York Street  
London  
W1H 4QA  
United Kingdom

**The trustees**

Mr Thamir Hassan	
Dr Abdul Sahib El-Radhi	
Ms Amina Al-Ebadi	
Mr Maher George	(Resigned 15 December 2021)
Dr Adnan Hashim	
Mrs Malak Al Momen	(Appointed 15 December 2021)
Ms Nidhal Al-Jiboury	(Resigned 15 December 2021)
Mr Tariq Omran	

**Auditor** Deitch Cooper LLP  
1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

**Bankers** Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

### **Introduction to Trustees Report**

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "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 2019).

### **Structure, governance and management**

#### **Governing Document**

The organisation was registered as a charity on 15th October 1996 and is governed by its constitution dated 20th April 1996, as amended on 15th April 2018.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Organisational Structure**

Iraqi Welfare Association has a Management Committee of 7 trustees who meet every 6 weeks and are responsible for the strategic direction and policy of the charity.

### **Risk Management**

The Management Committee has conducted a review of the major risks to which the charity is exposed to and continues to monitor this on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

### **Organisation's Polices**

IWA has produced a set of policy documents to enable the charity to operate within the Charity Commission's rules and procedures, and Government's legislation, and also to protect the name and integrity of the charity.

We have produced and adopted the following polices;

- Complaints Procedures
- Anti-corruption and anti-bribery policy
- Youth & vulnerable adult safeguarding Policy
- IWA Data protection Policy
- Reserve Policy
- Equal Opportunities Policy
- Finance Policy and Procedures
- Volunteering Policy

### **Objectives and activities**

The charity's objectives are;

- The relief of poverty, sickness and distress and the advancement of education, particularly among Iraqis wherever they may be.
- To provide or assist in the provision of facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities, by reasons of their youth, age infirmity or disability, financial hardship with object of improving their conditions of life.
- To promote social inclusion of members of the Iraqi community in the UK by preventing them from becoming socially excluded and assisting them to integrate in society.
- To be a resource for members of the Iraqi community by providing advice, assistance. Support, training and workshops in order to develop their skills, capacities and to enable them to fully participate in society.

The Trustees have complied with the duty in section 17 of the Charities Act 2011.

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Charity should undertake.

### **Achievements and performance**

The charity was set up to assist with the increasing number of refugees in the UK, and have met their objectives through the provision of free advisory services in immigration, housing and state benefits. Furthermore the charity has established a weekly newsletter called Al-Mahjer, and offers creative English courses with Faith Action, focusing on real life English that can help learners in their daily lives.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Financial review**

Against the backdrop of limited resources the charity has continued to plan or develop its services. With the aid of sound financial management and the support of both its staff and volunteers, the charity has achieved a satisfactory outcome for the year, with sufficient resources to continue its normal activities in the forthcoming years. The charity has a policy of keeping at least 6 months support costs as reserve at all times, which for the year is £100,000.

### **Plans for future periods**

The charity intends to continue its activities in pursuance of its listed defined objectives.

### **Trustees' responsibilities statement**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

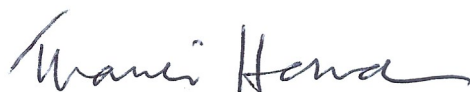
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 20 June 2023 and signed on behalf of the board of trustees by:



Mr Thami Hassan  
Trustee

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association**

**Year ended 31 July 2022**

### **Opinion**

We have audited the financial statements of Iraqi Welfare Association (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** *(continued)*

**Year ended 31 July 2022**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohamedkazim Bhaloo (Senior Statutory Auditor)

For and on behalf of  
Deitch Cooper LLP

1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

20 June 2023

**Iraqi Welfare Association**  
**Statement of Financial Activities**  
**Year ended 31 July 2022**

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	1,182,751	<b>1,182,751</b>	988,659
Investment income	5	3,253	<b>3,253</b>	6,188
<b>Total income</b>		<u>1,186,004</u>	<u><b>1,186,004</b></u>	<u>994,847</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	1,123,573	<b>1,123,573</b>	914,450
<b>Total expenditure</b>		<u>1,123,573</u>	<u><b>1,123,573</b></u>	<u>914,450</u>
<b>Net income and net movement in funds</b>		<u>62,431</u>	<u><b>62,431</b></u>	<u>80,397</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		237,831	<b>237,831</b>	157,434
<b>Total funds carried forward</b>		<u>300,262</u>	<u><b>300,262</b></u>	<u>237,831</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 11 to 17 form part of these financial statements.

**Iraqi Welfare Association**  
**Statement of Financial Position**  
**31 July 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	14	1,664	2,659
<b>Current assets</b>			
Debtors	15	83,311	5,000
Cash at bank and in hand		<u>222,383</u>	<u>236,567</u>
		305,694	241,567
<b>Creditors: amounts falling due within one year</b>	16	<u>7,096</u>	<u>6,395</u>
<b>Net current assets</b>		<u>298,598</u>	<u>235,172</u>
<b>Total assets less current liabilities</b>		<u>300,262</u>	<u>237,831</u>
<b>Net assets</b>		<u>300,262</u>	<u>237,831</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>300,262</u>	<u>237,831</u>
<b>Total charity funds</b>	17	<u>300,262</u>	<u>237,831</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 June 2023, and are signed on behalf of the board by:



Mr Thamir Hassan  
Trustee

The notes on pages 11 to Error! Bookmark not defined. form part of these financial statements.

# Iraqi Welfare Association

## Statement of Cash Flows

Year ended 31 July 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income	62,431	80,397
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	995	1,095
Dividends, interest and rents from investments	(3,000)	(6,000)
Other interest receivable and similar income	(253)	(188)
Interest payable and similar charges	390	210
Accrued (income)	(52,894)	-
Accrued expenses	180	2,874
<i>Changes in:</i>		
Trade and other debtors	(25,417)	-
Trade and other creditors	521	575
Cash generated from operations	(17,047)	78,963
Interest paid	(390)	(210)
Interest received	253	188
Net cash (used in)/from operating activities	(17,184)	78,941
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	3,000	6,000
Purchase of tangible assets	-	(2,667)
Net cash from investing activities	3,000	3,333
<b>Net (decrease)/increase in cash and cash equivalents</b>	(14,184)	82,274
<b>Cash and cash equivalents at beginning of year</b>	236,567	154,293
<b>Cash and cash equivalents at end of year</b>	222,383	236,567

The notes on pages 11 to 17 form part of these financial statements.

**Iraqi Welfare Association**  
**Notes to the Financial Statements**  
**Year ended 31 July 2022**

**1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 85 York Street, London, W1H 4QA.

**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 Charities Act 2011.

**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**

There are no material uncertainties about the charity's ability to continue.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds are funds which have restrictions imposed by the donors. These can only be utilised in accordance with the donors' wishes and are not available for any other use. Restricted funds also include amounts collected as agents and are shown separately in the financial statements.

Designated funds are funds which have been set aside or utilised for a specific purpose and are not available for general use. Some designated funds can be recognised as income over a period, and these are shown in the movement of funds and in the income and expenditure account.

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are 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 policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprising the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are incurred to facilitate activities and include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and finance.

#### 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:

Fixtures & Fittings	- 25% straight line
Equipment	- 25% straight line

# **Iraqi Welfare Association**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2022**

### **3. Accounting policies** *(continued)*

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
HMRC Gift Aid	276,797	<b>276,797</b>	132,158	132,158
Donations	870,134	<b>870,134</b>	767,664	767,664
Events & Trips	2,975	<b>2,975</b>	1,506	1,506
Grants received	32,845	<b>32,845</b>	87,331	87,331
	<u>1,182,751</u>	<u><b>1,182,751</b></u>	<u>988,659</u>	<u>988,659</u>

### 5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	3,000	<b>3,000</b>	6,000	6,000
Bank interest receivable	253	<b>253</b>	188	188
	<u>3,253</u>	<u><b>3,253</b></u>	<u>6,188</u>	<u>6,188</u>

### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Financial Assistance	700,143	<b>700,143</b>	665,225	665,225
Newsletter and Magazines	4,957	<b>4,957</b>	3,698	3,698
Events and Functions	124,237	<b>124,237</b>	78,415	78,415
Support costs	294,236	<b>294,236</b>	167,112	167,112
	<u>1,123,573</u>	<u><b>1,123,573</b></u>	<u>914,450</u>	<u>914,450</u>

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Financial Assistance	700,143	294,236	<b>994,379</b>	832,337
Newsletter and Magazines	4,957	–	<b>4,957</b>	3,698
Events and Functions	124,237	–	<b>124,237</b>	78,415
	<u>829,337</u>	<u>294,236</u>	<u><b>1,123,573</b></u>	<u>914,450</u>



# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 8. Analysis of support costs

	Financial Assistance £	Total 2022 £	Total 2021 £
Staff costs	85,601	<b>85,601</b>	62,103
Premises	134,245	<b>134,245</b>	34,858
Communications and IT	261	<b>261</b>	391
General office	16,900	<b>16,900</b>	5,415
Finance costs	390	<b>390</b>	210
Governance costs	6,234	<b>6,234</b>	3,552
Insurance	832	<b>832</b>	903
Legal & professional fees	48,778	<b>48,778</b>	58,407
Depreciation	995	<b>995</b>	1,094
	<u>294,236</u>	<u><b>294,236</b></u>	<u>166,933</u>

### 9. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u><b>995</b></u>	<u>1,095</u>

### 10. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u><b>3,600</b></u>	<u>—</u>

### 11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>—</u>	<u>750</u>

### 12. Staff costs

The average head count of employees during the year was 8 (2021: 6).

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

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 August 2021 and 31 July 2022</b>	<u>1,173</u>	<u>51,360</u>	<u>52,533</u>
<b>Depreciation</b>			
At 1 August 2021	1,171	48,703	49,874
Charge for the year	<u>–</u>	<u>995</u>	<u>995</u>
<b>At 31 July 2022</b>	<u>1,171</u>	<u>49,698</u>	<u>50,869</u>
<b>Carrying amount</b>			
<b>At 31 July 2022</b>	<u>2</u>	<u>1,662</u>	<u>1,664</u>
At 31 July 2021	<u>2</u>	<u>2,657</u>	<u>2,659</u>

### 15. Debtors

	2022 £	2021 £
Prepayments and accrued income	57,894	5,000
Other debtors	<u>25,417</u>	<u>–</u>
	<u>83,311</u>	<u>5,000</u>

### 16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	6,000	5,820
Social security and other taxes	441	575
Other creditors	<u>655</u>	<u>–</u>
	<u>7,096</u>	<u>6,395</u>

### 17. Analysis of charitable funds

#### Unrestricted funds

	At 1 August 2021 £	Income £	Expenditure £	At 31 July 2022 £
General funds	<u>237,831</u>	<u>1,186,004</u>	<u>(1,123,573)</u>	<u>300,262</u>

	At 1 August 2020 £	Income £	Expenditure £	At 31 July 2021 £
General funds	<u>157,434</u>	<u>994,847</u>	<u>(914,450)</u>	<u>237,831</u>

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	2022	2022
	£	£
Tangible fixed assets	1,664	<b>1,664</b>
Current assets	305,694	<b>305,694</b>
Creditors less than 1 year	(7,096)	<b>(7,096)</b>
<b>Net assets</b>	<b>300,262</b>	<b>300,262</b>

	Unrestricted Funds	Total Funds
	2021	2021
	£	£
Tangible fixed assets	2,659	2,659
Current assets	241,567	241,567
Creditors less than 1 year	(6,395)	(6,395)
<b>Net assets</b>	<b>237,831</b>	<b>237,831</b>

### 19. Analysis of changes in net debt

	At 1 Aug 2021	Cash flows	At 31 Jul 2022
	£	£	£
Cash at bank and in hand	<u>236,567</u>	<u>(14,184)</u>	<u><b>222,383</b></u>

### 20. Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	<u><b>26,250</b></u>	<u><b>5,250</b></u>

CHARITY REGISTRATION NUMBER: 1058672

**Iraqi Welfare Association**  
**Financial Statements**  
**31 July 2022**

**DEITCH COOPER LLP**  
1st Floor, 3 Hobbs House  
Harrovian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

# **Iraqi Welfare Association**

## **Financial Statements**

**Year ended 31 July 2022**

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# **Iraqi Welfare Association**

## **Trustees' Annual Report**

**Year ended 31 July 2022**

The trustees present their report and the financial statements of the charity for the year ended 31 July 2022.

### **Reference and administrative details**

**Registered charity name** Iraqi Welfare Association

**Charity registration number** 1058672

**Principal office** 85 York Street  
London  
W1H 4QA  
United Kingdom

**The trustees**

Mr Thamir Hassan	
Dr Abdul Sahib El-Radhi	
Ms Amina Al-Ebadi	
Mr Maher George	(Resigned 15 December 2021)
Dr Adnan Hashim	
Mrs Malak Al Momen	(Appointed 15 December 2021)
Ms Nidhal Al-Jiboury	(Resigned 15 December 2021)
Mr Tariq Omran	

**Auditor** Deitch Cooper LLP  
1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

**Bankers** Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

### **Introduction to Trustees Report**

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "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 2019).

### **Structure, governance and management**

#### **Governing Document**

The organisation was registered as a charity on 15th October 1996 and is governed by its constitution dated 20th April 1996, as amended on 15th April 2018.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Organisational Structure**

Iraqi Welfare Association has a Management Committee of 7 trustees who meet every 6 weeks and are responsible for the strategic direction and policy of the charity.

### **Risk Management**

The Management Committee has conducted a review of the major risks to which the charity is exposed to and continues to monitor this on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

### **Organisation's Polices**

IWA has produced a set of policy documents to enable the charity to operate within the Charity Commission's rules and procedures, and Government's legislation, and also to protect the name and integrity of the charity.

We have produced and adopted the following polices;

- Complaints Procedures
- Anti-corruption and anti-bribery policy
- Youth & vulnerable adult safeguarding Policy
- IWA Data protection Policy
- Reserve Policy
- Equal Opportunities Policy
- Finance Policy and Procedures
- Volunteering Policy

### **Objectives and activities**

The charity's objectives are;

- The relief of poverty, sickness and distress and the advancement of education, particularly among Iraqis wherever they may be.
- To provide or assist in the provision of facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities, by reasons of their youth, age infirmity or disability, financial hardship with object of improving their conditions of life.
- To promote social inclusion of members of the Iraqi community in the UK by preventing them from becoming socially excluded and assisting them to integrate in society.
- To be a resource for members of the Iraqi community by providing advice, assistance. Support, training and workshops in order to develop their skills, capacities and to enable them to fully participate in society.

The Trustees have complied with the duty in section 17 of the Charities Act 2011.

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Charity should undertake.

### **Achievements and performance**

The charity was set up to assist with the increasing number of refugees in the UK, and have met their objectives through the provision of free advisory services in immigration, housing and state benefits. Furthermore the charity has established a weekly newsletter called Al-Mahjer, and offers creative English courses with Faith Action, focusing on real life English that can help learners in their daily lives.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Financial review**

Against the backdrop of limited resources the charity has continued to plan or develop its services. With the aid of sound financial management and the support of both its staff and volunteers, the charity has achieved a satisfactory outcome for the year, with sufficient resources to continue its normal activities in the forthcoming years. The charity has a policy of keeping at least 6 months support costs as reserve at all times, which for the year is £100,000.

### **Plans for future periods**

The charity intends to continue its activities in pursuance of its listed defined objectives.

### **Trustees' responsibilities statement**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

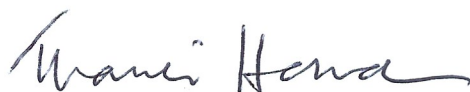
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 20 June 2023 and signed on behalf of the board of trustees by:



Mr Thami Hassan  
Trustee



# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association**

**Year ended 31 July 2022**

### **Opinion**

We have audited the financial statements of Iraqi Welfare Association (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association**

*(continued)*

**Year ended 31 July 2022**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohamedkazim Bhaloo (Senior Statutory Auditor)

For and on behalf of  
Deitch Cooper LLP

1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

20 June 2023

**Iraqi Welfare Association**  
**Statement of Financial Activities**  
**Year ended 31 July 2022**

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	1,182,751	1,182,751	988,659
Investment income	5	3,253	3,253	6,188
<b>Total income</b>		<u>1,186,004</u>	<u>1,186,004</u>	<u>994,847</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	1,123,573	1,123,573	914,450
<b>Total expenditure</b>		<u>1,123,573</u>	<u>1,123,573</u>	<u>914,450</u>
 <b>Net income and net movement in funds</b>		 <u>62,431</u>	 <u>62,431</u>	 <u>80,397</u>
 <b>Reconciliation of funds</b>				
Total funds brought forward		237,831	237,831	157,434
<b>Total funds carried forward</b>		<u>300,262</u>	<u>300,262</u>	<u>237,831</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 11 to 17 form part of these financial statements.

**Iraqi Welfare Association**  
**Statement of Financial Position**  
**31 July 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	14	1,664	2,659
<b>Current assets</b>			
Debtors	15	83,311	5,000
Cash at bank and in hand		<u>222,383</u>	<u>236,567</u>
		305,694	241,567
<b>Creditors: amounts falling due within one year</b>	16	<u>7,096</u>	<u>6,395</u>
<b>Net current assets</b>		<u>298,598</u>	<u>235,172</u>
<b>Total assets less current liabilities</b>		<u>300,262</u>	<u>237,831</u>
<b>Net assets</b>		<u>300,262</u>	<u>237,831</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>300,262</u>	<u>237,831</u>
<b>Total charity funds</b>	17	<u>300,262</u>	<u>237,831</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 June 2023, and are signed on behalf of the board by:



Mr Thamir Hassan  
Trustee

The notes on pages 11 to Error! Bookmark not defined. form part of these financial statements.

# Iraqi Welfare Association

## Statement of Cash Flows

Year ended 31 July 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income	62,431	80,397
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	995	1,095
Dividends, interest and rents from investments	(3,000)	(6,000)
Other interest receivable and similar income	(253)	(188)
Interest payable and similar charges	390	210
Accrued (income)	(52,894)	-
Accrued expenses	180	2,874
<i>Changes in:</i>		
Trade and other debtors	(25,417)	-
Trade and other creditors	521	575
Cash generated from operations	(17,047)	78,963
Interest paid	(390)	(210)
Interest received	253	188
Net cash (used in)/from operating activities	(17,184)	78,941
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	3,000	6,000
Purchase of tangible assets	-	(2,667)
Net cash from investing activities	3,000	3,333
<b>Net (decrease)/increase in cash and cash equivalents</b>	(14,184)	82,274
<b>Cash and cash equivalents at beginning of year</b>	236,567	154,293
<b>Cash and cash equivalents at end of year</b>	222,383	236,567

The notes on pages 11 to 17 form part of these financial statements.

**Iraqi Welfare Association**  
**Notes to the Financial Statements**  
**Year ended 31 July 2022**

**1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 85 York Street, London, W1H 4QA.

**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 Charities Act 2011.

**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**

There are no material uncertainties about the charity's ability to continue.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds are funds which have restrictions imposed by the donors. These can only be utilised in accordance with the donors' wishes and are not available for any other use. Restricted funds also include amounts collected as agents and are shown separately in the financial statements.

Designated funds are funds which have been set aside or utilised for a specific purpose and are not available for general use. Some designated funds can be recognised as income over a period, and these are shown in the movement of funds and in the income and expenditure account.



# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are 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 policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprising the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are incurred to facilitate activities and include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and finance.

#### 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:

Fixtures & Fittings	- 25% straight line
Equipment	- 25% straight line

# **Iraqi Welfare Association**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2022**

### **3. Accounting policies** *(continued)*

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
HMRC Gift Aid	276,797	<b>276,797</b>	132,158	132,158
Donations	870,134	<b>870,134</b>	767,664	767,664
Events & Trips	2,975	<b>2,975</b>	1,506	1,506
Grants received	32,845	<b>32,845</b>	87,331	87,331
	<u>1,182,751</u>	<u><b>1,182,751</b></u>	<u>988,659</u>	<u>988,659</u>

### 5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	3,000	<b>3,000</b>	6,000	6,000
Bank interest receivable	253	<b>253</b>	188	188
	<u>3,253</u>	<u><b>3,253</b></u>	<u>6,188</u>	<u>6,188</u>

### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Financial Assistance	700,143	<b>700,143</b>	665,225	665,225
Newsletter and Magazines	4,957	<b>4,957</b>	3,698	3,698
Events and Functions	124,237	<b>124,237</b>	78,415	78,415
Support costs	294,236	<b>294,236</b>	167,112	167,112
	<u>1,123,573</u>	<u><b>1,123,573</b></u>	<u>914,450</u>	<u>914,450</u>

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Financial Assistance	700,143	294,236	<b>994,379</b>	832,337
Newsletter and Magazines	4,957	—	<b>4,957</b>	3,698
Events and Functions	124,237	—	<b>124,237</b>	78,415
	<u>829,337</u>	<u>294,236</u>	<u><b>1,123,573</b></u>	<u>914,450</u>

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 8. Analysis of support costs

	Financial Assistance £	Total 2022 £	Total 2021 £
Staff costs	85,601	<b>85,601</b>	62,103
Premises	134,245	<b>134,245</b>	34,858
Communications and IT	261	<b>261</b>	391
General office	16,900	<b>16,900</b>	5,415
Finance costs	390	<b>390</b>	210
Governance costs	6,234	<b>6,234</b>	3,552
Insurance	832	<b>832</b>	903
Legal & professional fees	48,778	<b>48,778</b>	58,407
Depreciation	995	<b>995</b>	1,094
	<u>294,236</u>	<u><b>294,236</b></u>	<u>166,933</u>

### 9. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u><b>995</b></u>	<u>1,095</u>

### 10. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u><b>3,600</b></u>	<u>—</u>

### 11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>—</u>	<u>750</u>

### 12. Staff costs

The average head count of employees during the year was 8 (2021: 6).

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

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 August 2021 and 31 July 2022</b>	<u>1,173</u>	<u>51,360</u>	<u>52,533</u>
<b>Depreciation</b>			
At 1 August 2021	1,171	48,703	49,874
Charge for the year	–	995	995
<b>At 31 July 2022</b>	<u>1,171</u>	<u>49,698</u>	<u>50,869</u>
<b>Carrying amount</b>			
<b>At 31 July 2022</b>	<u>2</u>	<u>1,662</u>	<u>1,664</u>
At 31 July 2021	<u>2</u>	<u>2,657</u>	<u>2,659</u>

### 15. Debtors

	2022 £	2021 £
Prepayments and accrued income	57,894	5,000
Other debtors	<u>25,417</u>	–
	<u>83,311</u>	<u>5,000</u>

### 16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	6,000	5,820
Social security and other taxes	441	575
Other creditors	<u>655</u>	–
	<u>7,096</u>	<u>6,395</u>

### 17. Analysis of charitable funds

#### Unrestricted funds

	At 1 August 2021 £	Income £	Expenditure £	At 31 July 2022 £
General funds	<u>237,831</u>	<u>1,186,004</u>	<u>(1,123,573)</u>	<u>300,262</u>

	At 1 August 2020 £	Income £	Expenditure £	At 31 July 2021 £
General funds	<u>157,434</u>	<u>994,847</u>	<u>(914,450)</u>	<u>237,831</u>

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	2022	2022
	£	£
Tangible fixed assets	1,664	<b>1,664</b>
Current assets	305,694	<b>305,694</b>
Creditors less than 1 year	(7,096)	<b>(7,096)</b>
<b>Net assets</b>	<b>300,262</b>	<b>300,262</b>

	Unrestricted Funds	Total Funds
	2021	2021
	£	£
Tangible fixed assets	2,659	2,659
Current assets	241,567	241,567
Creditors less than 1 year	(6,395)	(6,395)
<b>Net assets</b>	<b>237,831</b>	<b>237,831</b>

### 19. Analysis of changes in net debt

	At 1 Aug 2021	Cash flows	At 31 Jul 2022
	£	£	£
Cash at bank and in hand	<u>236,567</u>	<u>(14,184)</u>	<u><b>222,383</b></u>

### 20. Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	<u><b>26,250</b></u>	<u><b>5,250</b></u>

CHARITY REGISTRATION NUMBER: 1058672

**Iraqi Welfare Association**  
**Financial Statements**  
**31 July 2022**

**DEITCH COOPER LLP**  
1st Floor, 3 Hobbs House  
Harrovian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

# **Iraqi Welfare Association**

## **Financial Statements**

**Year ended 31 July 2022**

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# **Iraqi Welfare Association**

## **Trustees' Annual Report**

**Year ended 31 July 2022**

The trustees present their report and the financial statements of the charity for the year ended 31 July 2022.

### **Reference and administrative details**

**Registered charity name** Iraqi Welfare Association

**Charity registration number** 1058672

**Principal office** 85 York Street  
London  
W1H 4QA  
United Kingdom

**The trustees**

Mr Thamir Hassan	
Dr Abdul Sahib El-Radhi	
Ms Amina Al-Ebadi	
Mr Maher George	(Resigned 15 December 2021)
Dr Adnan Hashim	
Mrs Malak Al Momen	(Appointed 15 December 2021)
Ms Nidhal Al-Jiboury	(Resigned 15 December 2021)
Mr Tariq Omran	

**Auditor** Deitch Cooper LLP  
1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

**Bankers** Triodos Bank  
Deanery Road  
Bristol  
BS1 5AS

### **Introduction to Trustees Report**

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and "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 2019).

### **Structure, governance and management**

#### **Governing Document**

The organisation was registered as a charity on 15th October 1996 and is governed by its constitution dated 20th April 1996, as amended on 15th April 2018.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Organisational Structure**

Iraqi Welfare Association has a Management Committee of 7 trustees who meet every 6 weeks and are responsible for the strategic direction and policy of the charity.

### **Risk Management**

The Management Committee has conducted a review of the major risks to which the charity is exposed to and continues to monitor this on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

### **Organisation's Polices**

IWA has produced a set of policy documents to enable the charity to operate within the Charity Commission's rules and procedures, and Government's legislation, and also to protect the name and integrity of the charity.

We have produced and adopted the following polices;

- Complaints Procedures
- Anti-corruption and anti-bribery policy
- Youth & vulnerable adult safeguarding Policy
- IWA Data protection Policy
- Reserve Policy
- Equal Opportunities Policy
- Finance Policy and Procedures
- Volunteering Policy

### **Objectives and activities**

The charity's objectives are;

- The relief of poverty, sickness and distress and the advancement of education, particularly among Iraqis wherever they may be.
- To provide or assist in the provision of facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities, by reasons of their youth, age infirmity or disability, financial hardship with object of improving their conditions of life.
- To promote social inclusion of members of the Iraqi community in the UK by preventing them from becoming socially excluded and assisting them to integrate in society.
- To be a resource for members of the Iraqi community by providing advice, assistance. Support, training and workshops in order to develop their skills, capacities and to enable them to fully participate in society.

The Trustees have complied with the duty in section 17 of the Charities Act 2011.

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Charity should undertake.

### **Achievements and performance**

The charity was set up to assist with the increasing number of refugees in the UK, and have met their objectives through the provision of free advisory services in immigration, housing and state benefits. Furthermore the charity has established a weekly newsletter called Al-Mahjer, and offers creative English courses with Faith Action, focusing on real life English that can help learners in their daily lives.

# **Iraqi Welfare Association**

## **Trustees' Annual Report** *(continued)*

**Year ended 31 July 2022**

### **Financial review**

Against the backdrop of limited resources the charity has continued to plan or develop its services. With the aid of sound financial management and the support of both its staff and volunteers, the charity has achieved a satisfactory outcome for the year, with sufficient resources to continue its normal activities in the forthcoming years. The charity has a policy of keeping at least 6 months support costs as reserve at all times, which for the year is £100,000.

### **Plans for future periods**

The charity intends to continue its activities in pursuance of its listed defined objectives.

### **Trustees' responsibilities statement**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

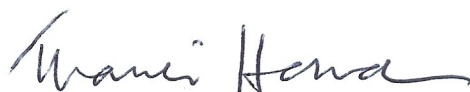
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 20 June 2023 and signed on behalf of the board of trustees by:



Mr Thamer Hassan  
Trustee

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association**

**Year ended 31 July 2022**

### **Opinion**

We have audited the financial statements of Iraqi Welfare Association (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** (continued)

**Year ended 31 July 2022**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# **Iraqi Welfare Association**

## **Independent Auditor's Report to the Members of Iraqi Welfare Association** *(continued)*

**Year ended 31 July 2022**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohamedkazim Bhaloo (Senior Statutory Auditor)

For and on behalf of  
Deitch Cooper LLP

1st Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
HA1 3EX

20 June 2023

**Iraqi Welfare Association**  
**Statement of Financial Activities**  
**Year ended 31 July 2022**

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	4	1,182,751	1,182,751	988,659
Investment income	5	3,253	3,253	6,188
<b>Total income</b>		<u>1,186,004</u>	<u>1,186,004</u>	<u>994,847</u>
<b>Expenditure</b>				
Expenditure on charitable activities	6,7	1,123,573	1,123,573	914,450
<b>Total expenditure</b>		<u>1,123,573</u>	<u>1,123,573</u>	<u>914,450</u>
<b>Net income and net movement in funds</b>		<u>62,431</u>	<u>62,431</u>	<u>80,397</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		237,831	237,831	157,434
<b>Total funds carried forward</b>		<u>300,262</u>	<u>300,262</u>	<u>237,831</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 11 to 17 form part of these financial statements.



**Iraqi Welfare Association**  
**Statement of Financial Position**  
**31 July 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible fixed assets	14	1,664	2,659
<b>Current assets</b>			
Debtors	15	83,311	5,000
Cash at bank and in hand		<u>222,383</u>	<u>236,567</u>
		305,694	241,567
<b>Creditors: amounts falling due within one year</b>	16	<u>7,096</u>	<u>6,395</u>
<b>Net current assets</b>		<u>298,598</u>	<u>235,172</u>
<b>Total assets less current liabilities</b>		<u>300,262</u>	<u>237,831</u>
<b>Net assets</b>		<u>300,262</u>	<u>237,831</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>300,262</u>	<u>237,831</u>
<b>Total charity funds</b>	17	<u>300,262</u>	<u>237,831</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 June 2023, and are signed on behalf of the board by:



Mr Thamir Hassan  
Trustee

The notes on pages 11 to Error! Bookmark not defined. form part of these financial statements.

# Iraqi Welfare Association

## Statement of Cash Flows

Year ended 31 July 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income	62,431	80,397
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	995	1,095
Dividends, interest and rents from investments	(3,000)	(6,000)
Other interest receivable and similar income	(253)	(188)
Interest payable and similar charges	390	210
Accrued (income)	(52,894)	-
Accrued expenses	180	2,874
<i>Changes in:</i>		
Trade and other debtors	(25,417)	-
Trade and other creditors	521	575
Cash generated from operations	(17,047)	78,963
Interest paid	(390)	(210)
Interest received	253	188
Net cash (used in)/from operating activities	(17,184)	78,941
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	3,000	6,000
Purchase of tangible assets	-	(2,667)
Net cash from investing activities	3,000	3,333
<b>Net (decrease)/increase in cash and cash equivalents</b>	(14,184)	82,274
<b>Cash and cash equivalents at beginning of year</b>	236,567	154,293
<b>Cash and cash equivalents at end of year</b>	222,383	236,567

The notes on pages 11 to 17 form part of these financial statements.

**Iraqi Welfare Association**  
**Notes to the Financial Statements**  
**Year ended 31 July 2022**

**1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 85 York Street, London, W1H 4QA.

**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 Charities Act 2011.

**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**

There are no material uncertainties about the charity's ability to continue.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds are funds which have restrictions imposed by the donors. These can only be utilised in accordance with the donors' wishes and are not available for any other use. Restricted funds also include amounts collected as agents and are shown separately in the financial statements.

Designated funds are funds which have been set aside or utilised for a specific purpose and are not available for general use. Some designated funds can be recognised as income over a period, and these are shown in the movement of funds and in the income and expenditure account.

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are 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 policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprising the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are incurred to facilitate activities and include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and finance.

#### 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:

Fixtures & Fittings	- 25% straight line
Equipment	- 25% straight line

# **Iraqi Welfare Association**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2022**

### **3. Accounting policies** *(continued)*

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
HMRC Gift Aid	276,797	<b>276,797</b>	132,158	132,158
Donations	870,134	<b>870,134</b>	767,664	767,664
Events & Trips	2,975	<b>2,975</b>	1,506	1,506
Grants received	32,845	<b>32,845</b>	87,331	87,331
	<u>1,182,751</u>	<u><b>1,182,751</b></u>	<u>988,659</u>	<u>988,659</u>

### 5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Income from investment properties	3,000	<b>3,000</b>	6,000	6,000
Bank interest receivable	253	<b>253</b>	188	188
	<u>3,253</u>	<u><b>3,253</b></u>	<u>6,188</u>	<u>6,188</u>

### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Financial Assistance	700,143	<b>700,143</b>	665,225	665,225
Newsletter and Magazines	4,957	<b>4,957</b>	3,698	3,698
Events and Functions	124,237	<b>124,237</b>	78,415	78,415
Support costs	294,236	<b>294,236</b>	167,112	167,112
	<u>1,123,573</u>	<u><b>1,123,573</b></u>	<u>914,450</u>	<u>914,450</u>

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Financial Assistance	700,143	294,236	<b>994,379</b>	832,337
Newsletter and Magazines	4,957	—	<b>4,957</b>	3,698
Events and Functions	124,237	—	<b>124,237</b>	78,415
	<u>829,337</u>	<u>294,236</u>	<u><b>1,123,573</b></u>	<u>914,450</u>

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 8. Analysis of support costs

	Financial Assistance £	<b>Total 2022</b> £	Total 2021 £
Staff costs	85,601	<b>85,601</b>	62,103
Premises	134,245	<b>134,245</b>	34,858
Communications and IT	261	<b>261</b>	391
General office	16,900	<b>16,900</b>	5,415
Finance costs	390	<b>390</b>	210
Governance costs	6,234	<b>6,234</b>	3,552
Insurance	832	<b>832</b>	903
Legal & professional fees	48,778	<b>48,778</b>	58,407
Depreciation	995	<b>995</b>	1,094
	<u>294,236</u>	<u><b>294,236</b></u>	<u>166,933</u>

### 9. Net income

Net income is stated after charging/(crediting):

	<b>2022</b> £	2021 £
Depreciation of tangible fixed assets	<u><b>995</b></u>	<u>1,095</u>

### 10. Auditors remuneration

	<b>2022</b> £	2021 £
Fees payable for the audit of the financial statements	<u><b>3,600</b></u>	<u>—</u>

### 11. Independent examination fees

	<b>2022</b> £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>—</u>	<u>750</u>

### 12. Staff costs

The average head count of employees during the year was 8 (2021: 6).

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

# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>			
<b>At 1 August 2021 and 31 July 2022</b>	<u>1,173</u>	<u>51,360</u>	<u><b>52,533</b></u>
<b>Depreciation</b>			
At 1 August 2021	1,171	48,703	<b>49,874</b>
Charge for the year	<u>–</u>	<u>995</u>	<u><b>995</b></u>
<b>At 31 July 2022</b>	<u>1,171</u>	<u>49,698</u>	<u><b>50,869</b></u>
<b>Carrying amount</b>			
<b>At 31 July 2022</b>	<u>2</u>	<u>1,662</u>	<u><b>1,664</b></u>
At 31 July 2021	<u>2</u>	<u>2,657</u>	<u><b>2,659</b></u>

### 15. Debtors

	2022 £	2021 £
Prepayments and accrued income	<b>57,894</b>	5,000
Other debtors	<u><b>25,417</b></u>	<u>–</u>
	<u><b>83,311</b></u>	<u><b>5,000</b></u>

### 16. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	<b>6,000</b>	5,820
Social security and other taxes	<b>441</b>	575
Other creditors	<u><b>655</b></u>	<u>–</u>
	<u><b>7,096</b></u>	<u><b>6,395</b></u>

### 17. Analysis of charitable funds

#### Unrestricted funds

	At 1 August 2021 £	Income £	Expenditure £	At 31 July 2022 £
General funds	<u>237,831</u>	<u>1,186,004</u>	<u>(1,123,573)</u>	<u><b>300,262</b></u>

	At 1 August 2020 £	Income £	Expenditure £	At 31 July 2021 £
General funds	<u>157,434</u>	<u>994,847</u>	<u>(914,450)</u>	<u><b>237,831</b></u>



# Iraqi Welfare Association

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

### 18. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	2022	2022
	£	£
Tangible fixed assets	1,664	<b>1,664</b>
Current assets	305,694	<b>305,694</b>
Creditors less than 1 year	(7,096)	<b>(7,096)</b>
<b>Net assets</b>	<b>300,262</b>	<b>300,262</b>

	Unrestricted Funds	Total Funds
	2021	2021
	£	£
Tangible fixed assets	2,659	2,659
Current assets	241,567	241,567
Creditors less than 1 year	(6,395)	(6,395)
<b>Net assets</b>	<b>237,831</b>	<b>237,831</b>

### 19. Analysis of changes in net debt

	At 1 Aug 2021	Cash flows	At 31 Jul 2022
	£	£	£
Cash at bank and in hand	<u>236,567</u>	<u>(14,184)</u>	<u><b>222,383</b></u>

### 20. Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	<u><b>26,250</b></u>	<u><b>5,250</b></u>