

Charity registration number 1058672

IRAQI WELFARE ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

IRAQI WELFARE ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A S El-Radhi Mrs M Al Momen Dr A Hashim Ms A Al-Ebadi Mr T S Omran Dr K Shubber
Charity number	1058672
Principal address	85 York Street London United Kingdom W1H 4QA
Auditor	Deitch Cooper LLP 3 Hobbs House Harrovia Business Village Bessborough Road Harrow Middlesex HA1 3EX

IRAQI WELFARE ASSOCIATION

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IRAQI WELFARE ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their annual report and financial statements for the year ended 31 July 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 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).

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

Public benefit

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

Achievements and performance

Significant activities and achievements against objectives

The charity was set up to assist with the increasing number of refugees in the UK, and the growing number of Iraqis in the UK, have met their objectives through the provision of free advisory services in Family, immigration, housing and state benefits. Furthermore the charity has established a monthly community newsletter, and offers a variety courses, workshops on learning English, learning new skills and supporting people into employment, focusing on real life English that can help learners in their daily lives. Also we focus on various activities for the Youth and run several camps and kids club to on team work, self-confidence and excel in their future and educational achievement.

Financial review

The Charity's principal source of income were voluntary donations conditioned to be sent to help orphans and disadvantaged families mainly in Iraq. Other income is coming from grants and charitable activities.

Total income amounted to £792,827 (2022: £1,186,004). Total expenditure on charitable activities amounted to £809,954 (2022: £1,123,573). This year there was a deficit of £17,127 (2022: £62,431 surplus). Total fund balances at 31 July 2023 comprised £ 283,135 (2022: £300,262). All funds are unrestricted funds designated mainly to be donated to orphans and families in need.

Reserves policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

IRAQI WELFARE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

Major risks

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, Policies, Systems and procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of the policies and procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, users and visitors to all our activities and centres. These policies and procedures are periodically reviewed to ensure that they continue to comply with legislation and meet the needs of the charity.

Plans for future periods

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

Structure, governance and management

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.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Dr A S El-Radhi

Mrs M Al Momen

Dr A Hashim

Ms A Al-Ebadi

Mr T Hassan

(Resigned 20 February 2024)

Mr T S Omran

Dr K Shubber

(Appointed 20 February 2024)

Recruitment and appointment of trustees

Details of method of recruitment and appointment of trustees are contained within the charity constitution.

Organisational structure

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

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 policies;

- 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

IRAQI WELFARE ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

Statement of Trustees' responsibilities

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 Trustees to prepare financial statements for each financial 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 year.

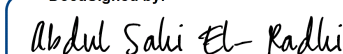
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that 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 Charity (Accounts and Reports) Regulations 2008 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' report was approved by the Board of Trustees.

DocuSigned by:



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Dr A S El-Radhi

Trustee

2 May 2024

IRAQI WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF IRAQI WELFARE ASSOCIATION

Opinion

We have audited the financial statements of Iraqi Welfare Association (the 'Charity') for the year ended 31 July 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

IRAQI WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF IRAQI WELFARE ASSOCIATION

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management and from our knowledge and experience of the sector and activities of the charity;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified through making enquiries of management and inspecting documentation; and
- we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatements including obtaining an understanding of how fraud might occur by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we performed the following procedures:

- we performed analytical procedures to identify any unusual or unexpected relationships;
- we assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- we investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included, but were not limited to, agreeing financial statement disclosures to underlying supporting documentation and remaining alert for actual and potential litigation and claims during our other audit procedures. We did not identify any key audit matters relating to irregularities, including fraud.

IRAQI WELFARE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF IRAQI WELFARE ASSOCIATION

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Deitch Cooper LLP

2 May 2024

Statutory Auditor

3 Hobbs House
Harrobian Business Village
Bessborough Road
Harrow
Middlesex
HA1 3EX

Deitch Cooper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

IRAQI WELFARE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	763,756	1,182,751
Charitable activities	4	27,382	-
Investments	5	1,689	3,253
Total income		<u>792,827</u>	<u>1,186,004</u>
Expenditure on:			
Charitable activities	6	809,954	1,123,573
Total expenditure		<u>809,954</u>	<u>1,123,573</u>
Net income/(expenditure) and movement in funds		(17,127)	62,431
Reconciliation of funds:			
Fund balances at 1 August 2022		<u>300,262</u>	<u>237,831</u>
Fund balances at 31 July 2023		<u><u>283,135</u></u>	<u><u>300,262</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

IRAQI WELFARE ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		669		1,664
Current assets					
Debtors	13	171,290		83,311	
Cash at bank and in hand		117,795		222,383	
		289,085		305,694	
Creditors: amounts falling due within one year	14	(6,619)		(7,096)	
Net current assets			282,466		298,598
Total assets less current liabilities			283,135		300,262
The funds of the Charity					
Unrestricted funds			283,135		300,262
			283,135		300,262

The financial statements were approved by the Trustees on 2 May 2024

DocuSigned by:

Abdul Sahi El-Radhi

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Dr A S El-Radhi

Trustee

IRAQI WELFARE ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(106,277)		(17,437)
Investing activities					
Investment income received		1,689		3,253	
Net cash generated from investing activities			1,689		3,253
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(104,588)		(14,184)
Cash and cash equivalents at beginning of year			222,383		236,567
Cash and cash equivalents at end of year			117,795		222,383

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

Charity information

Iraqi Welfare Association is an unincorporated charitable trust and public benefit entity. The address of the principal office is 85 York Street, London, W1H 4QA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	747,177	1,149,906
Grants received	16,579	32,845
	<u>763,756</u>	<u>1,182,751</u>

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

4 Charitable activities

	Immigration services 2023 £	Activities 2023 £	Total 2023 £	Total 2022 £
Income from charitable activities	12,867	14,515	27,382	-

5 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	-	3,000
Interest receivable	1,689	253
	1,689	3,253

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

6 Expenditure on Charitable Activities

	Financial Assistance	Newsletter and Magazines	Events and Functions	Total 2023	Financial Assistance	Newsletter and Magazines	Events and Functions	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Staff costs	74,501	-	-	74,501	85,601	-	-	85,601
Depreciation	995	-	-	995	995	-	-	995
Directly attributable costs	563,111	3,399	44,294	610,804	700,143	4,957	124,237	829,337
	<u>638,607</u>	<u>3,399</u>	<u>44,294</u>	<u>686,300</u>	<u>786,739</u>	<u>4,957</u>	<u>124,237</u>	<u>915,933</u>
Share of support costs (see note 7)	117,342	-	-	117,342	201,406	-	-	201,406
Share of governance costs (see note 7)	6,312	-	-	6,312	6,234	-	-	6,234
	<u>762,261</u>	<u>3,399</u>	<u>44,294</u>	<u>809,954</u>	<u>994,379</u>	<u>4,957</u>	<u>124,237</u>	<u>1,123,573</u>

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

7 Support costs allocated to activities

	2023 £	2022 £
Premises costs	56,082	134,245
Communications and IT	3,174	261
General office costs	6,384	16,900
Finance costs	1,950	390
Insurance	1,547	832
Legal and professional fees	48,205	48,778
Governance costs	6,312	6,234
	<u>123,654</u>	<u>207,640</u>

Analysed between:

Financial Assistance	<u>123,654</u>	<u>207,640</u>
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	2023 £	2022 £
Governance costs comprise:		
Audit fees	3,780	3,600
Accountancy	2,532	2,634
	<u>6,312</u>	<u>6,234</u>

8 Net movement in funds

	2023 £	2022 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	3,780	3,600
Depreciation of owned tangible fixed assets	995	995
	<u></u>	<u></u>

9 Trustees

During the year Ms A Al-Ebadi received remuneration from the Charity amounting to £8,168 (2022: £6,342). None of the other Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

10 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
<u>8</u>	<u>8</u>

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

10 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	74,501	85,601

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 August 2022	1,173	51,360	52,533
Disposals	-	(47,377)	(47,377)
At 31 July 2023	1,173	3,983	5,156
Depreciation and impairment			
At 1 August 2022	1,171	49,698	50,869
Depreciation charged in the year	-	995	995
Eliminated in respect of disposals	-	(47,377)	(47,377)
At 31 July 2023	1,171	3,316	4,487
Carrying amount			
At 31 July 2023	2	667	669
At 31 July 2022	2	1,662	1,664

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	162,862	25,417
Prepayments and accrued income	8,428	57,894
	171,290	83,311

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	219	441
Other creditors	-	655
Accruals and deferred income	6,400	6,000
	<u>6,619</u>	<u>7,096</u>

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 August 2022 £	Incoming resources £	Resources expended £	At 31 July 2023 £
General funds	<u>300,262</u>	<u>792,827</u>	<u>(809,954)</u>	<u>283,135</u>
Previous year:	At 1 August 2021 £	Incoming resources £	Resources expended £	At 31 July 2022 £
General funds	<u>237,831</u>	<u>1,186,004</u>	<u>(1,123,573)</u>	<u>300,262</u>

16 Operating lease commitments

Lessee

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

	2023 £	2022 £
Within one year	<u>5,250</u>	<u>26,250</u>

17 Related party transactions

During the period a close family member of a Trustee invoiced the Charity professional fees amounting to £500 (2022 - none). There were no other disclosable related party transactions (2022 - none).

IRAQI WELFARE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

18	Cash generated from operations	2023 £	2022 £
	(Deficit)/surplus for the year	(17,127)	62,431
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,689)	(3,253)
	Depreciation and impairment of tangible fixed assets	995	995
	Movements in working capital:		
	(Increase) in debtors	(87,979)	(78,311)
	(Decrease)/increase in creditors	(477)	701
	Cash absorbed by operations	(106,277)	(17,437)

19 Analysis of changes in net funds

The Charity had no material debt during the year.