

Reading Community Welfare Rights Unit

Charity No. 1074557

Company No. 03626105

Trustees' Report and Unaudited Accounts

31 March 2023

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 03626105

Charity No. 1074557

Principal Office

South Reading Community Hub
252 Northumberland Avenue
Reading
Berkshire
RG2 7QA
Registered Office

South Reading Community Hub
252 Northumberland Avenue
Reading
Berkshire
RG2 7QA

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the year:

M. Ayub
J.L. Hughes
P.G. Kayes
R. McEwan
M. O'Connell
L.K. Owen
P. Thomas

Key Management Personnel

Chair	Peter Kayes
Chief Executive Officer	Matt Harrison
Accountants	

Lambert Martin Ltd
33 Old Bath road
Sonning
Reading
Berkshire
RG4 6SY

OBJECTIVES AND ACTIVITIES

The objectives of the service are to benefit the population of Greater Reading by the relief of poverty, sickness and distress. These objectives are achieved by giving advice and assistance to people in respect of their rights to benefits as required.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit both when reviewing the service's aims and objectives and when planning its future activities.

RCWRU provides advice and support to people on their benefits claims, including to people in work, not in work and to those seeking to get into work. Examples of when the support is needed are when people are wrongly denied benefits by the Department of Work and Pensions (DWP), when people have their benefits cut after a review where the assessment is faulty, or where the process of completing the complex paperwork is beyond the individual applicant's capabilities. Support can consist of simply providing advice including what their entitlement should be but more often involves helping clients make formal appeals and taking unresolved cases to tribunals where we will work with the clients to make their case.

ACHIEVEMENTS AND PERFORMANCE

The 2022-23 financial year has seen Reading Community Welfare Rights Unit (RCWRU) continue to provide its service to clients across Reading. Methods of working have been developed as a result of the Covid pandemic and experience gained while continuing to support the residents. This has resulted in a more flexible service to clients where we endeavour to use the most suitable arrangements for working with clients. This includes continuing to meet clients by appointment at our office, as well as providing support over the telephone or email but also meeting clients at other venues which are easier to get to, including meeting them at home where necessary.

During the year we also joined a partnership with six other charities in Reading, The Tackling Poverty Partnership, in order to strengthen our ability to support people in a wider variety of ways through the work of these other charities to whom we can pass clients on as well as receiving referrals from these charities to us. The partnership has secured funding to continue our work for the three years. In addition we have been successful in gaining a grant from the Henry Smith Charity to expand our work and a number of other smaller grants from local charities

Across the year we supported 553 clients and the work of the team secured £408,468 in benefits from DWP, money which is paid directly by DWP to the people we have supported. This is a significant contribution to our Clients' ability to live independently, avoiding poverty and getting into debt. In the past 3 years the total benefits secured for clients has been over £1.6m

Once again I must thank our staff and volunteers, including trustees, for their commitment to our work, which is often life saving for our clients.

FINANCIAL REVIEW

The 2022-23 financial year has seen Reading Community Welfare Rights Unit (RCWRU) continue to consolidate its position and finances. The organisation continues to be impacted by the effects of the pandemic and the cost of living crisis, and the funding that is available to meet our growing demand. RCWRU is still committed to securing reserves of 2 months of funding

PLANS FOR FUTURE PERIODS

Looking to the future RCWRU is aware of an excess in demand for our services and anticipates a significant increase in demand post pandemic. We trust we will be able to continue to support our community in years to come.

STRUCTURE, GOVERNANCE AND MANAGEMENT

RCWRU is controlled by its governing document, The memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. In accordance with the Memorandum of Association each present member has undertaken to contribute the sum of £1 in the event of winding up. As the service is a registered charity, any surplus upon a winding up would be distributed to another charity with similar objects, as the members are prohibited from benefiting from the company.

The Board seeks to recruit new trustees from the wider community in Reading to provide a range of skills and views.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

A handwritten signature in black ink that reads "Peter Kayes". The signature is written in a cursive, slightly slanted style.

P.G. Kayes
Trustee
21 July 2023

Independent Examiner's Report to the trustees of Reading Community Welfare Rights Unit

I report to the charity trustees on my examination of the financial statements of Reading Community Welfare Rights Unit for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Samun Omer

2023-10-13

Samun Omer

Holy Brook Accountants
Curious Lounge, 1st Floor, Pinnacle Building Tudor Road
Reading
RG1 1NH

Reading Community Welfare Rights Unit
Statement of Financial Activities
for the year ended 31 March 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations and legacies	4	2,525	-	2,525	6,929
Charitable activities	5	0	137,302	137,302	128,819
Total		2,525	137,302	139,827	135,748
Expenditure on:					
Other	6		132,094	132,094	139,301
Total			132,094	132,094	139,301
Net gains on investments		-	-	-	-
Net income/(expenditure)	7	2,525	5,207	7,732	(3,553)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		2,525	5,207	7,732	(3,553)
Other gains and losses					
Net movement in funds		2,525	5,207	7,732	(3,553)
Reconciliation of funds:					
Total funds brought forward		6,950	17,986	24,936	28,489
Total funds carried forward		9,475	23,193	32,668	24,936

Reading Community Welfare Rights Unit

Balance Sheet

at 31 March 2023

Company No. 03626105	Notes	2023 £	2022 £
Fixed assets			
Tangible assets		-	2,259
		-	2,259
Current assets			
Cash at bank and in hand		74,986	50,684
		74,986	50,684
Creditors: Amount falling due within one year	9	(42,262)	(28,007)
Net current assets		32,724	22,677
Total assets less current liabilities		32,724	24,936
Net assets excluding pension asset or liability		32,724	24,936
Total net assets		32,724	24,936
The funds of the charity			
Restricted funds	10		
Restricted income funds		23,193	17,986
		23,193	17,986
Unrestricted funds	10		
General funds		9,531	6,950
		9,531	6,950
Reserves	10		
Total funds		32,724	24,936

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 21 July 2023

And signed on its behalf by:

P.G. Kayes
Trustee
21 July 2023

Peter Kayes

1 Accounting policies

Basis of preparation

The financial statements have been prepared 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	6,929	-	6,929
Charitable activities	-	128,819	128,819
Total	<u>6,929</u>	<u>128,819</u>	<u>135,748</u>
Expenditure on:			
Other	96	139,205	139,301
Total	<u>96</u>	<u>139,205</u>	<u>139,301</u>
Net income	<u>6,833</u>	<u>(10,386)</u>	<u>(3,553)</u>
Net income before other gains/(losses)	6,833	(10,386)	(3,553)
Other gains and losses:			
Net movement in funds	<u>6,833</u>	<u>(10,386)</u>	<u>(3,553)</u>
Reconciliation of funds:			
Total funds brought forward	117	28,372	28,489
Total funds carried forward	<u>6,950</u>	<u>17,986</u>	<u>24,936</u>

4 Income from donations and legacies

Unrestricted	Total 2023	Total 2022
£	£	£
2,525	2,525	6,929
<u>2,525</u>	<u>2,525</u>	<u>6,929</u>

5 Income from charitable activities

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Contract Income	0	79,066	79,066	79,000
Grant Income	-	58,236	58,236	49,819
	<u>0</u>	<u>137,302</u>	<u>137,302</u>	<u>128,819</u>

6 Other expenditure

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Employee costs	(55)	105,912	105,912	111,000
Premises costs	0	3,039	3,039	3,052
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	0	2,258	2,258	949
General administrative costs	0	15,018	15,018	19,558
Legal and professional costs	-	5,867	5,867	4,742
	<u>(56)</u>	<u>132,095</u>	<u>132,039</u>	<u>139,301</u>

7 Net income/(expenditure) before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	2,258	949

8 Staff costs

	2023	2022
Salaries and wages	99,175	102,499
Social security costs	4,053	3,878
Pension costs	2,475	2,223
	<u>105,703</u>	<u>108,600</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2023 Number	2022 Number
Manager/Caseworker	1	1
Caseworker/ specialist advisor	3	3
Volunteers	1	5
Office Administration Assistant	-	-
Accountant	-	-
	<u>5</u>	<u>9</u>

9 Creditors:
amounts falling due within one year

	2023	2022
	£	£
Trade creditors	259	208
Other taxes and social security	(9)	-
Other creditors	871	665
Accruals	(1)	247
Deferred income	41,142	26,887
	<u>42,262</u>	<u>28,007</u>

10 Movement in funds

	At 1 April 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 March 2023 £
Restricted funds:				
Restricted income funds:				
Reading Borough Council	17,986	79,066	(82,355)	14,697
National Lottery	-	-	(49,740)	(49,740)
Reaching Communities	-	58,236	-	58,236
<i>Total</i>	<u>17,986</u>	<u>137,302</u>	<u>(132,095)</u>	<u>23,193</u>
Unrestricted funds:				
General funds	6,950	2,525	1	9,476
Total funds	<u>24,936</u>	<u>139,827</u>	<u>(132,094)</u>	<u>32,669</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Reading Borough Council	Closing the Gap
National Lottery	Reaching Communities
Reaching Communities	Staff Funding

11 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Net current assets	1	32,723	32,724
	<u>1</u>	<u>32,723</u>	<u>32,724</u>

12 Reconciliation of net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash and cash equivalents	50,684	24,302	74,986
	<u>50,684</u>	<u>24,302</u>	<u>74,986</u>
Net debt	<u>50,684</u>	<u>24,302</u>	<u>74,986</u>

13 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2023 Land and buildings £	2023 Other £	2022 Land and buildings £	2022 Other £
Operating leases with expiry date:				

Pension commitments

	2023 £	2022 £
The pension cost charge to the company amounted to:	<u>2,475</u>	<u>2,223</u>

14 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Reading Community Welfare Rights Unit
Detailed Statement of Financial Activities
for the year ended 31 March 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies	2,525	-	2,525	6,929
	<u>2,525</u>	<u>-</u>	<u>2,525</u>	<u>6,929</u>
Charitable activities				
Contract Income	0	79,066	79,066	79,000
Grant Income	-	58,236	58,236	49,819
	<u>0</u>	<u>137,302</u>	<u>137,302</u>	<u>128,819</u>
Total income and endowments	2,525	137,302	139,827	135,748
Expenditure on:				
Employee costs				
Salaries/wages	(55)	99,230	99,175	102,499
Employer's NIC	-	4,053	4,053	3,878
Pension costs	-	2,475	2,475	2,223
Staff training	-	-	-	2,400
Staff welfare	0	154	154	-
	<u>(55)</u>	<u>105,912</u>	<u>105,857</u>	<u>111,000</u>
Premises costs				
Rent	0	3,003	3,003	3,052
Premises repairs and maintenance	-	36	36	-
	<u>0</u>	<u>3,039</u>	<u>3,039</u>	<u>3,052</u>
General administrative costs, including depreciation and amortisation				
Depreciation of	0	2,258	2,258	949
Bank charges	0	291	291	295
General insurances	0	2,207	2,207	1,965
Software, IT support and related costs	0	5,476	5,476	11,226
Stationery and printing	-	579	579	221
Subscriptions	-	2,405	2,405	2,458
Sundry expenses	-	669	669	622
Telephone, fax and broadband	0	3,391	3,391	2,771
	<u>(1)</u>	<u>17,277</u>	<u>17,276</u>	<u>20,507</u>
Legal and professional costs				
Accountancy and bookkeeping	-	5,617	5,617	4,742
Other legal and professional costs	-	250	250	-
	<u>-</u>	<u>5,867</u>	<u>5,867</u>	<u>4,742</u>

Reading Community Welfare Rights Unit
Detailed Statement of Financial Activities

Total of expenditure of other costs	(56)	132,095	132,039	139,301
Total expenditure	(56)	132,095	132,039	139,301
Net gains on investments	-	-	-	-
Net income/(expenditure)	2,581	5,207	7,788	(3,553)
Net income/(expenditure) before other gains/(losses)	2,581	5,207	7,788	(3,553)
Other Gains	-	-	-	-
Net movement in funds	2,581	5,207	7,788	(3,553)
Reconciliation of funds:				
Total funds brought forward	6,950	17,986	24,936	28,489
Total funds carried forward	9,531	23,193	32,724	24,936

Signature Certificate

Reference number: ZYQD7-PCBNE-CP3QO-BU5GE

Signer

Timestamp

Signature

Samun Omer

Email: samun.omer@holybrook.com

Sent:

13 Oct 2023 11:26:34 UTC

Viewed:

13 Oct 2023 13:09:14 UTC

Signed:

13 Oct 2023 13:10:20 UTC



Recipient Verification:

✓ Email verified

13 Oct 2023 13:09:14 UTC

IP address: 95.150.60.124

Location: Wokingham, United Kingdom

Peter Kayes

Email: peter.kayes@talktalk.net

Sent:

13 Oct 2023 11:26:34 UTC

Viewed:

13 Oct 2023 19:40:02 UTC

Signed:

13 Oct 2023 19:46:40 UTC



Recipient Verification:

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