

**ZINTHIYA GANESHPANCHAN TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**



**Charity Number: 1137350**

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## **ZINTHIYA GANESHPANCHAN TRUST**

### **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARTY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

**Trustees**                      Mr Chris Beasley Reynolds (Stepped down December 2022)  
                                      Ms Lorraine Mirham  
                                      Mr Phill Nassau  
                                      Ms Sally Smith  
                                      Mr Declan Kiely  
                                      Ms Hemsha Tanna  
                                      Mr John Cooper

**Charity registered  
Number**                      1137350

**Principle office**              12 Bishop Street  
                                      Leicester  
                                      LE1 6AF

**Chief executive**              Zinthiya Ganeshpanchan

**Independent examiner**      Bhavesh Shah FCCA  
                                      BGS Accounting Ltd  
                                      75 Exploration Drive  
                                      Leicester  
                                      LE4 5NU

**ZINTHIYA GANESHPANCHAN TRUST**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

**Reflection from the Chair of the Board of Trustees**

During the year under review, our charity continued to support disadvantaged women and families in Leicester and Leicestershire to be free from abuse and poverty.

In addition, to supporting our communities we focused on building our capacity and developing our partnerships to be able to respond to the increased demand placed upon us due to the cost-of-living crisis.

We also focused on investing in additional income generation streams such as delivering commissioned services, renting out meeting room space and developing corporate partnerships focusing on sustainability.

None of this work, would have been possible without the generous support of our funders, local businesses, and individual supporters whom we are extremely grateful for. We also want to thank our volunteers and staff for their dedication during the year that made it possible for us to continue to provide support to some of the most vulnerable people.

On behalf of the board of Trustees I would like to take this opportunity to thank everyone, who has worked with us in the past year, including our funders and our supporters. None of the work would have been possible without their support.



**Sally Smith**  
**Chair of Trustees**



**ZINTHIYA GANESHPANCHAN TRUST**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

The trustees present their annual report together with the financial statements of Zinthiya Ganeshpanchan Trust (the charity) for the year ended 31<sup>st</sup> March 2023. The Trustees confirms that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provision of the Statements of Recommended Practice (SORP), applicable in the UK and Republic of Ireland -FRS102

**Summary**

It is our pleasure to report on another successful but challenging year for the trust especially given the challenges faced due to the continued cost of living crisis that has impacted on our beneficiaries as well as the sector. In the ever-challenging environment being able to continue to support our beneficiaries who have depended on our services has been testimony to our resilience.

To respond to these challenges, during the year we continued to build the capacity of our staff and volunteers by providing them with the opportunity to develop their skills through internal and external training as well investing in coaching for some of our senior staff with the aim of succession planning.

We have continued to work towards building new partnerships by engaging with our local business community to build our profile as well as generate much needed income to continue with our charitable activities. These relationships have been extremely valuable to us and we aim to continue with this strategy during the coming year.

**Our Vision**

The vision of our charity is to create a society where people can be free from abuse and poverty and its mission is to:

- To support people to live without the fear of violence and abuse.
- To provide practical support to reduce poverty & isolation among vulnerable people.
- To help people transform their lives through education, skills development and employment.
- To support people to achieve their aspirations and lead fulfilling lives.

We worked to achieve our objectives by providing a holistic service including:

- One to one support to women fleeing all forms of abuse;

- Breaking the cycle of poverty by supporting people to manage their finances through improving their budgeting skills, maximising their income, dealing with debt & preventing them falling into debt;
- Preventing illness associated with cold homes by provide energy advice and practical support to improve homes enabling people to keep their homes warm to reduce & prevent cold related illnesses.
- Improve employability: Upskill people by providing training, work placements & volunteering opportunities that will lead to sustainable employment.
- Increase wellbeing, attendance & reduce bullying at school by provide school uniforms/shoes for children from families facing financial crisis.

Our primary beneficiaries were those suffering from multiple & complex needs and those who have never or struggle to access mainstream support services. These include but not limited to women fleeing violence, people who are homeless or vulnerably housed, ex-offenders, care leavers, individuals suffering from food & fuel poverty, individuals with a physical or mental disability, asylum seekers or with no recourse to public funding, those that are isolated and the long term unemployed.

### Our values

#### THE HEART OF THE ZINTHIYA TRUST



### Our impact

Over the year we supported 2,228 direct beneficiaries through the various project we undertook out of which 1,603 were female, 604 Male and 21 self-identifying as non-binary.



## **Our impact**

The following is a case study of a beneficiary who received a wrap round support from the Trust during the year.

### **Nancy**

Nancy was referred to the Zinthiya trust by her support worker as she was subject to domestic abuse for the past two and a half years and was suffering from anxiety, depression, and PTSD because of the abuse. No longer able to endure the abuse she fled her home which she shared with the perpetrator. Upon accessing our support, we undertook a risk assessment and placed her in our emergency accommodation. Thereafter we applied for a DDV concession to the home office-while also providing emotional support to her. Once we received the approval for her from home office-we then contacted a local immigration lawyer to apply for indefinite leave to remain and also made an application. To the local authority for housing which she was successful

We made application to Charity Link a local charity that we work with for a fridge freezer and a cooker and an application to The Smallwood Trust for the other items purchase a washing machine and other essential furniture. This also included love2shop vouchers for the remainder of items such as bedding and crockery and cutlery which she needed,

Prior to moving in Nancy received support from and energy adviser supported by the British Gas Energy Trust on how to find a supplier as well as on energy saving advise.

Nancy has also been referred to our in house domestic abuse support services so that she can receive support for the trauma she has undergone.

### **Comments from Nancy**

*"Thank you so much! I am so grateful for the help Zinthiya trust is providing for me and my children. I can now concentrate on getting back to normality".*

## **Investment policy and performance**

The charity's policy is to only hold cash on deposit with major clearing banks.

## **Financial review and reserves policy**

Income for the 12 months to 31 March 2023 was £673,726 a 17.40% decrease over the previous year, (2022: £815,682). The majority of which was grant income of £552,143 (2022: £758,982) funding specific activities, with the bulk of the remaining income being from the operation of the Chapel Café, other trading activities, and public donations.

The charity managed to register a surplus of £20,968 to 31 March 2023 (2022: £61,936). The total level of activity of the charity increased significantly, especially for the emergency food provision, school uniforms project, sanitary pad project, and provision of emergency accommodation for women whose lives were at risk due to facing violence but with no recourse to public funding. Closing reserves as of 31 March 2023 were in surplus by £351,052 (2022: £330,084).

## **Charity reserves policy**

The charity trustees have set their reserve policy for three months. Trustees feel they need to set this reserves target, representing the funds that should be set to one side in case of unforeseen costs or interruptions to funding. This would improve financial resilience to provide greater security for beneficiaries, with this in mind the charity is actively seeking to source unrestricted funding and have invested their time and money to build strong relationship with the local business community. The Charity was selected as the Charity of the year by many organisations which has contributed to the profile building of the charity.

## **Going Concern**

The trustees have made an assessment of charity's ability to continue as a going concern to assure themselves of the validity of this assumption when preparing the accounts. In making this assessment, the trustees have taken into account all available information about the future for at least, but not limited to, 12 months from the date the accounts are approved. At the time of approval of these accounts the financial state of the charity was deemed a going concern due the multi-year funding secured since the balance sheet date as well as the strategy in place to attract unrestricted funding by working with individuals and businesses.

## **Board of Trustees**

The trust is governed by a Board of Trustees who formally meet quarterly. The trustees during the year were as follows:



#### Trustees

Mr Chris Beasley Reynolds (Resigned December 2022)

Ms Lorraine Mirham

Mr Phill Nassau

Ms Sally Smith

Mr Declan Kiely

Ms Hemmisha Tanna

Mr John Cooper

#### **Structure, governance, management and recruitment to the board of trustees**

The charity is an unincorporated charity registered under a declaration of trust dated 8<sup>th</sup> September 2009. The trust is registered with the Charity Commission under the charity number 1137350.

The Board of Trustees are responsible for the governance of the trust and for ensuring the charity pursues the objects for which it was founded. Trustees are appointed under the terms of the charity's Declaration of trust. At present there are no specific policies regarding minimum or maximum length of tenure for Trustees.

The Trustees delegate day to day management of activities, staff, and volunteers to the Chief Executive, Zinithiya Ganeshpanchan. Ms Ganeshpanchan reports to the trustee board quarterly via attendance at board meetings and regular e-mails

#### **Volunteers**

Over 28 volunteers supporting our work in the year in the food project, Chapel Café and office. The volunteers ranged from 16 years to 76 years and came from all walks of life. We train, support, and celebrate the amazing work our volunteers do, knowing that their contribution is essential to fulfilling our mission. Their willingness to devote their time and expertise for free is incredible; we could have not achieved what we have done over the year without our volunteers.

#### **Public Benefit**

The Trustees are aware of the Charity Commission's general guidance on public benefit and have considered it when reviewing their aims and objectives and planning future activities. In line with the charity accounts disclosure requirements the trustees confirm that they have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Risk Management**

The Trustees are responsible for the management of the risks faced by the trust, as they provide controls that provide reasonable although not absolute assurance against material misstatement, loss or exposure to risk. Risk reviews are undertaken regularly to ensure internal risks are minimised through the implementation of policy and procedure and external risks are accounted for in the setting of strategy

## **Funds held as custodian**

No such funds are held

## **Trustees' responsibility statement**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom 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 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 Charities SORP;
- Make adjustments and accounting estimates that are reasonable and prudent
- 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 proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at 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 responsible steps for the prevention and detection of fraud and other irregularities.

The report was approved by the trustees on and signed on their behalf by:



**Sally Smith**  
**Chair of Trustees**



**ZINTHIYA GANESHPANCHAN TRUST**  
**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDING 31 MARCH 2023**

**Independent examiner's report to the trustees of Zinthiya Ganeshpanchan Trust**

I report to the trustees on my examination of the financial statements of the Zinthiya Ganeshpanchan Trust for the year ended 31 March 2023, which are set out on pages 13 – 20.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

**Basis of independent examiners report**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiners qualified statement**

I have completed my examination. I confirm that no material matters, except those referred to in the previous paragraph, have come to my attention in connection with the examination giving me cause to believe that in any material respect

- accounting records were not kept in respect of the charity as required by section 130 of the Act: or
- the financial statements do not accord with those records or:
- the financial statements do not comply with the applicable requirements concerning the form and context of accounts set out in the Charities (Accounts and reports) Regulation 2008 other than any requirement that



the accounts give a "true and fair view which is not a matter considered as a part of an independent examination.

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 to enable a proper understanding of the financial statements to be reached.



Signed

Date: 11/12/2023

Bhavesh Shah FCCA  
BGS Accounting Ltd  
75 Exploration Drive  
Leicester  
LE4 5NU

**Zinthiya Ganeshpanchan Trust**  
**Statement of financial activities**  
**For the year ended 31 March 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>INCOME</b>					
Donations and grants	1	78,452	499,923	578,375	774,828
Charitable activities	2	95,351	-	95,351	40,854
		<u>173,803</u>	<u>499,923</u>	<u>673,726</u>	<u>815,682</u>
<b>EXPENDITURE</b>					
Charitable activities	3	156,720	496,038	652,758	753,746
		<u>156,720</u>	<u>496,038</u>	<u>652,758</u>	<u>753,746</u>
<b>TOTAL EXPENDITURE</b>					
		17,083	3,885	20,968	61,936
<b>NET INCOME/(EXPENDITURE)</b>					
Transfer between funds		-	-	-	-
		<u>17,083</u>	<u>3,885</u>	<u>20,968</u>	<u>61,936</u>
<b>NET MOVEMENT IN FUNDS</b>					
		84,972	245,112	330,084	268,148
<b>RECONCILIATION OF FUNDS</b>					
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>102,055</u>	<u>248,997</u>	<u>351,052</u>	<u>330,084</u>

The notes on pages 15 to 20 form part of these financial statements.

**Zinthiya Ganeshpanchan Trust**  
**Balance Sheet**  
**As at 31 March 2023**

	Note	Total 2023 £	Total 2022 £
<b>FIXED ASSETS</b>			
Tangible assets	4	23,964	31,953
<b>CURRENT ASSETS</b>			
Stocks	5	2,500	2,500
Debtors	6	53,700	142,533
Cash at bank and in hand		293,366	171,232
		<u>349,565</u>	<u>316,265</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>22,477</u>	<u>18,133</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>327,089</u>	<u>298,132</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		351,052	330,084
<b>Creditors: amounts falling due after more than one year</b>		<u>-</u>	<u>-</u>
<b>TOTAL NET ASSETS/(LIABILITIES)</b>		<u><u>351,052</u></u>	<u><u>330,084</u></u>
<b>CHARITY FUNDS</b>	8		
Restricted funds		248,997	245,112
Unrestricted funds		<u>102,055</u>	<u>84,972</u>
<b>TOTAL CHARITY FUNDS</b>		<u><u>351,052</u></u>	<u><u>330,084</u></u>

The financial statements were approved by the Trustees on 5th of December 23 and signed on their behalf, by: Sally Smith

The notes on pages 15 to 20 form part of these financial statements.



**Zinthiya Ganeshpanchan Trust**  
**Notes to the statement of financial activities**  
**For the year ended 31 March 2023**

<b>1</b>	<b>Income from donations and grants</b>	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
	Donations	26,232	-	26,232	15,846
	Grants	52,220	499,923	552,143	758,982
		78,452	499,923	578,375	774,828
<b>2</b>	<b>Income from charitable activities</b>	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
	Café income	30,243	-	30,243	2,414
	Other income	65,108	-	65,108	31,720
		95,351	-	95,351	34,134
<b>3</b>	<b>Expenditure</b>	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
	Direct delivery cost (CRF)	-	89,111	89,111	127,845
	Chapel Café direct expenses	23,455	-	23,455	15,645
	Wages, salaries and social security costs	67,943	259,994	327,937	344,834
	Pension contribution	1,541	3,969	5,510	5,346
	Staff training and welfare	6,834	7,553	14,387	9,736
	Travel and subsistence	1,334	12,111	13,445	5,588
	Premises costs	2,350	33,945	36,294	19,777
	Emergency accommodation	-	18,383	18,383	106,611
	Printing, postage, stationery and telephone	8,064	3,875	11,939	14,803
	Bank charges	239	-	239	110
	Insurance	4,876	-	4,876	2,274
	Repairs and maintenance	6,774	-	6,774	5,803
	Advertising and PR	5,888	19,704	25,591	14,233
	Sundry expenses	1,490	-	1,490	1,822
	Legal & professional fees	(1,040)	8,158	7,118	9,352
	Depreciation	7,988	-	7,988	10,146
	Accountancy fees	900	-	900	900
	IT costs	929	2,308	3,237	3,521
	Project monitoring and evaluation	2,000	-	2,000	1,625
	Fundraising cost	-	4,160	4,160	-
	Food bank cost	9,966	-	9,966	17,164
	Hardship fund	5,187	32,769	37,956	36,609
		156,719	496,039	652,758	753,746

**Zinthiva Ganeshpanchan Trust**  
**Notes to the Balance Sheet**  
**For the year ended 31 March 2023**

**4 Tangible fixed assets**

	<b><u>P&amp;M</u></b>	<b><u>Office EQP</u></b>	<b><u>Total</u></b>
<b>Cost</b>			
At 1 April 22	3,184	51,078	54,262
Additions	-	-	-
	<u>3,184</u>	<u>51,078</u>	<u>54,262</u>
<b>Depreciation</b>			
At 1 April 22	700	21,610	22,310
Charge for the year (25% RBM)	621	7,367	7,988
	<u>1,321</u>	<u>28,977</u>	<u>30,298</u>
<b>Net Book Value</b>			
At 31 Mar 23	<u>1,863</u>	<u>22,101</u>	<u>23,964</u>
At 31 Mar 22	<u>2,485</u>	<u>29,468</u>	<u>31,953</u>

**5 Stocks**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Café stock	<u>2,500</u>	<u>2,500</u>

**6 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	3,332	1,518
Other debtors	2,640	1,092
Prepayments & Accrued income	47,728	139,923
	<u>53,700</u>	<u>142,533</u>

**7 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	11,244	236
Other taxation and social security	1,077	6,404
Accruals and deferred income	10,156	11,493
	<u>22,477</u>	<u>18,133</u>

8 Statement of funds	Balance at 1 April 2022	Income	Expenditure	Balance at 31 Mar 2023
	£	£	£	£
General fund	83,696	143,560	(127,980)	99,276
Chapel Café	1,276	30,243	(28,739)	2,780
Community Renewal Fund (CRF)	72,533	83,219	(106,052)	49,701
National Lottery	97,609	88,427	(94,517)	91,519
Women's Hub	12,833	-	(12,833)	-
British Gas Energy Trust	11,089	144,828	(150,589)	5,328
Henry Smith	23,000	47,250	(46,000)	24,250
Smallwood Trust	20,292	30,750	(51,042)	-
Police & Crime Commissioner	7,756	-	(7,756)	-
Lloyds	-	52,250	(27,250)	25,000
Safelives	-	5,000	-	5,000
Nationwide	-	48,200	-	48,200
	330,084	673,726	(652,758)	351,052

## 9. Related party relationships and transactions

During the year, the Charity purchased specialist emergency refuge management services to house women and girls fleeing abuse amounting to £111,216 from Pink Pebbles Homes Ltd. Pink Pebbles was contracted during the Covid-19 pandemic to provide an all-inclusive Multiple Occupancy Housing service at short notice for a competitive price without the burden an initial financial investment on the part of the Trust as well as to reduce the risk of loss of income on the Trust due to empty rooms. Over the year they provided accommodation housing over 62 women and children. This has enabled the Trust to become a supplier to the Leicester City Council for housing provisions for which the Trust recovered £ 88,536.77 in the year.

In the year under review, the Charity also partnered with Bear Earth CIC and She Inspires Global Ltd to facilitate the delivery of the "She Inspires Play box" Community Renewal Project which came to an end in September 22. The Trust paid Bear Earth CIC £6,300 and She Inspires £13,750 for the services they provided to the project.

Additionally, the Trust continued to trade with Tomorrowtogether Ltd the social enterprise, which is set up to support people in long-term unemployment. During the year, a sum of £3,744 was paid to Tomorrowtogether Ltd for the provision of waste disposal and cleaning.

## 1.Accounting Policies



## **1.1 Basis of preparation of financial statements**

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Zinthiya Ganeshpanchan Trust constitutes a public benefit entity as defined by FRS 102.

## **1.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

## **1.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the friends of the trust is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

## **1.4 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 benefit 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 attribute 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 attributed 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 allocated on the portion of the asset's used.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters.

Charitable activities and Governance costs are costs incurred on the Charities educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

## **1.5 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	25% on cost
Office equipment	-	25% on cost

## **1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the Bank.

## **2 Stocks**

Stocks are valued at the lower cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.



## **2.1 Debtors**

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

## **2.2 Cash at bank and in hand**

Cash at bank and in hand included cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **2.3 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

## **3 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which are subsequently measured at amortised cost using the effective interest method.