

REGISTERED CHARITY NUMBER: 1139578

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024
FOR
COMMUNITY WELFARE TRUST**

SKZ Chartered Certified Accountants
Unit 1, Kataria Point, 1 Riches Road,
Ilford, IG1 1JH

COMMUNITY WELFARE TRUST

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COMMUNITY WELFARE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|----------------------------------|---|
| Registered Charity number | 1139578 |
| Registered office | Marlborough House 30-32 Yarm Road Stockton-on-Tees Cleveland, TS183NG |
| Trustees | Shaufkath Ali Rashid Ghafoor Hussein Mahroof Hussain |
| Independent Examiner | Syed Kashif Zafar FCCA SKZ Chartered Certified Accountants Unit 1, Kataria Point, 1 Riches Road, Ilford, IG1 1JH |

COMMUNITY WELFARE TRUST

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2024

Our objectives are designed to reflect our faith-based and community-focused aims. Each year, the trustees review these objectives and activities to ensure they continue to align with our mission. In conducting this review, the trustees have considered the Charity Commission's general guidance on public benefit, particularly its supplementary guidance on the advancement of religion for public benefit.

Our dual aims remain:

1. To provide a dedicated space for Muslims to worship.
2. To establish a community facility that serves all communities within the Stockton-on-Tees area.

Our long-term ambition is to build self-confidence among Muslims in their faith and, through our community facilities and activities, contribute to making our area a peaceful, vibrant, and harmonious community.

We actively engage in fundraising activities to support people in need. An important part of our strategy is promoting community welfare. All our community facilities and activities, including classes, health initiatives, and seminars, are widely advertised. We encourage participation from all local communities, regardless of religious affiliation.

The majority of our activities are free, supported by donations or grant funding. Where fees are required, concessions are provided for students, individuals on means-tested benefits, and pensioners. A key example of this is our Day Care Centre, which has been established to support individuals over 50 years of age and those with specific health needs.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

Volunteers play a crucial role in supporting both our faith-based and community initiatives. Over 20 volunteers regularly dedicate their time to various activities, contributing significantly to our mission.

All of our trustees also volunteer their time without remuneration. We actively encourage all members of the charity to participate in voluntary activities and to share their skills for the benefit of others. To ensure the safety and well-being of those involved, all volunteers working on projects with children or other vulnerable groups undergo ORB checks.

In addition, the charity has hosted several meetings to promote cohesion among local interfaith groups. These gatherings bring together representatives from local churches, the synagogue, the temple, and several Masjids across Teesside, fostering unity and collaboration.

Community Activities

Community halls and rooms in Marlborough House provide a valuable educational and recreational resource to all of the local communities in Stockton-on-Tees. A wide variety of activities are organized and take place in the community centre.

Conference rooms and meeting rooms

Our conference and meeting rooms are available for use by local groups and organizations. We actively encourage local charities to make use of these facilities, and we have proudly hosted events attended by councillors and MPS.

When the facilities are not required for community purposes, they are available for hire on commercial terms. Over the past year, our facilities have been utilized on more than 100 occasions, benefiting over 30 different groups and organizations within the local community

Day Care Centre

The community centre offers facilities for a Day Care Centre serving elderly individuals, vulnerable adults, and those with specific health needs. This centre is operated by a separate registered charity and is run entirely by volunteers. It provides individuals with access to mainstream services while also helping to reduce social isolation.

The charity's mission is to empower people to maintain their independence for as long as possible. The Day Care Centre plays a vital role in achieving this goal. Additionally, it provides caregivers with a much-needed break, and many have expressed their appreciation for the invaluable support this resource offers.

Family Learning ESOL

Family Learning ESOL (English for Speakers of Other Languages) classes are currently delivered in partnership with Stockton-on-Tees Borough Council's Tees Achieve. These classes play a vital role in promoting community cohesion by bringing together local residents, refugees, and asylum seekers.

The primary aim of these classes is to encourage family participation in learning and to raise awareness and knowledge for the entire family, fostering integration and mutual understanding within the community.

Financial review

The principal source of funding is through rental income. During the year expenses exceeded income by £46,091.05 (2023: £15,512.16). The trustees consider this to be a satisfactory result for the year. The activities of the charity were impaired by the national restrictions imposed by the government. It is hoped that normal activities can be resumed as soon as possible.

The balance held as unrestricted funds at 31 March 2024 was £550,275.79 (2023: £596,366.84), after allowing for funds tied up in tangible fixed assets. The trustees aim to maintain free reserves that are sufficient to support the charity for six to nine months and the current free reserves are within this range.

Plans for future periods

The trustees are committed to sustaining and expanding the charity's activities in the future. They aim to build on the existing initiatives while exploring new opportunities to enhance the charity's impact and reach within the community.

Structure, governance and management

The Community Welfare Trust is a constituted charitable trust registered with the Charity Commission under charity number 1139578 and operates within the framework of its governing document. It is governed by a constitution.

Major risks and management of those risks

The trustees have conducted a thorough assessment of the risks facing the charity and developed a comprehensive risk assessment framework. This framework identifies key risks across various areas of activity, outlines the nature and likelihood of these risks, and details the measures in place to mitigate them.

Risk assessments are reviewed regularly during trustee meetings and in sub-committee meetings focused on finance, buildings, and the Day Care Centre. The trustees are confident that robust systems and arrangements are in place to effectively manage identified risks. Adequate insurance coverage is maintained, and the organization's finances are consistently monitored and reviewed.

Appropriate Disclosure and Barring Service (ORB) checks, supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups within the Masjid and community centre.

COMMUNITY WELFARE TRUST

Approved by the trustees and signed on its behalf by:

Mahroof Hussain.-Trustee

November 12, 2024

COMMUNITY WELFARE TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF COMMUNITY WELFARE TRUST

I report on the accounts for the year ended 31 March 2024 set out on pages four to fourteen.

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(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

examine the accounts under Section 145 of the 2011 Act to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5) (b) of the 2011 Act); and to state whether particular matters have come to my attention.

BASIS OF THE INDEPENDENT EXAMINER'S REPORT

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

'True and fair view' and the report is limited to those matters set out in the statements below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, nothing has come to my attention that causes me to believe, in any material respect, that the following requirements have not been met:

1. Maintaining accounting records in accordance with Section 130 of the Charities Act 2011.
2. Preparing accounts that are consistent with the accounting records and comply with the accounting requirements of the Charities Act 2011.

Furthermore, there are no matters to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts

Syed Kashif Zafar FCCA
SKZ Chartered Certified Accountants
Unit 1, Kataria Point,
1 Riches Road,
Ilford, IG1 1JH

STATEMENTS OF TRUSTEES' RESPONSIBILITIES AS AT 31 MARCH 2024

The charity trustees are responsible for preparing an annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Under the law applicable to charities in England and Wales, the charity trustees are required to prepare financial statements each year that give a true and fair view of the state of affairs of the charity, as well as the incoming resources and application of resources during that period. In preparing the financial statements, the trustees must:

- Select suitable accounting policies and apply them consistently;
- Follow the methods and principles outlined in the Charities SORP (Statement of Recommended Practice);
- Make reasonable and prudent judgments and estimates;
- State whether applicable accounting standards have been followed, with any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue to operate.

The trustees are also responsible for maintaining proper accounting records that accurately disclose, at any given time, the financial position of the charity. These records must ensure compliance with the Charity Act 1993, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the trust deed. Additionally, they are responsible for safeguarding the charity's assets and taking reasonable steps to prevent and detect fraud and other irregularities.

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

Mahroof Hussain. - Trustee

November 12th, 2024

Statement of Financial Activites For the Year Ended 31 March 2024

| | <u>2024</u> | <u>2023</u> |
|---|--------------------------|--------------------------|
| | Unrestricted Funds | Unrestricted Funds |
| | £ | £ |
| Incoming Resources | | |
| Incoming Resources From Genarated Funds | | |
| Voluntary Income | | |
| Donations | 16,669.48 | 21,845.97 |
| Other Income | 30,134.44 | 43,781.30 |
| Total Incoming Resources | <u>46,803.92</u> | <u>65,627.27</u> |
| Resources Expended | | |
| Cost of Generating Funds | | |
| Cost of Generating Voluntary Income | 75,348.37 | 63,740.59 |
| Governance Cost | 4,877.48 | 4,372.29 |
| Other Expenses | 12,669.12 | 13,026.55 |
| Total Resources Expended | <u>92,894.97</u> | <u>81,139.43</u> |
| Net Incoming Resources | <u>(46,091.05)</u> | <u>(15,512.16)</u> |
| Reconciliation of Funds | | |
| Total Funds Brought Forward | 596,366.84 | 611,879.00 |
| Total Funds Carried Forward | <u><u>550,275.79</u></u> | <u><u>596,366.84</u></u> |

Statement of Financial Position As at 31 March 2024

| | | 2024 | 2023 |
|--|-------|------------|------------|
| | Notes | £ | £ |
| Fixed Assets | | | |
| Tangible Assets | 3 | 479,329.33 | 491,998.45 |
| Current Assets | | | |
| Debtors | | 35,145.25 | 2,324.00 |
| Cash at Bank and in Hand | | 37,587.06 | 107,907.00 |
| | | 72,732.31 | 110,231.00 |
| Creditors: Amount falling due within one year | 4 | 2,542.01 | (2,225.34) |
| Net Current Assets | | 75,274.32 | 108,005.66 |
| Net Assets | | 554,603.65 | 600,004.11 |
| Funds of the charity: | | | |
| Unrestricted Income Funds | | | |
| Unrestricted Funds | 6 | 550,275.79 | 596,366.84 |
| Total Funds | | 550,275.79 | 596,366.84 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered is:

Marlborough House
30-32 Yarm Road
Stockton-on-Tees
Cleveland, TS18 3NG

2. ACCOUNTING POLICIES**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES**

The principal accounting policies in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated:

- **STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statements 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)) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies act 2006.

- **BASIS OF PREPARATION**

Community Welfare Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

- **GOING CONCERN**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

- **EXEMPTION FROM PREPARING A CASH FLOW STATEMENT**

The charity to early adopt bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

- **INCOME AND ENDOWMENTS**

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

- **DONATIONS AND LEGACIES**

Donations are recognized when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognized until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

- **EXPENDITURE**

All expenditure is recognized once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure headings that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings, they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **CHARITABLE ACTIVITIES**

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

- **TAXATION**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

- **TANGIBLE FIXED ASSETS**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognized in other recognized gains and losses, unless it reverses a charge for impairment that has previously been recognized as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognized in other recognized gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognized gains and losses on the statement of financial activities.

Office Equipment

15% Reducing Balance Method

Motor Vehicle

25% Reducing Balance Method

Freehold Property

02% Straight Line Method

- **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

- **FUND STRUCTURE**

Unrestricted Income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

COMMUNITY WELFARE TRUST

Notes to The Financial Statements For The Year Ended 31 Mar 2024

3. Tangible Fixed Assets

| | Free Hold Property £ | Equipment £ | Motor Vehicle £ | Total £ |
|----------------|-------------------------|----------------|--------------------|------------|
| Cost | | | | |
| Cost | 547,000.00 | 26,117.00 | 9,991.00 | 583,108.00 |
| Additions | - | - | - | - |
| At 31 Mar 2024 | 547,000.00 | 26,117.00 | 9,991.00 | 583,108.00 |
| Depreciation | | | | |
| At 31 Mar 2023 | 65,640.00 | 16,812.05 | 8,657.50 | 91,109.55 |
| During 2024 | 10,940.00 | 1,395.74 | 333.38 | 12,669.12 |
| Total | 76,580.00 | 18,207.79 | 8,990.88 | 103,778.67 |
| Net Book Value | | | | |
| At 31 Mar 2023 | 481,360.00 | 9,304.95 | 1,333.50 | 491,998.45 |
| At 31 Mar 2024 | 470,420.00 | 7,909.21 | 1,000.13 | 479,329.33 |

4. Creditors: Amount falling due withing one year

| | 2024 £ | 2023 £ |
|------------------------------|-----------|-----------|
| Accruals and Deferred Income | 1,950.00 | 1,800.00 |
| VAT | 592.01 | 425.34 |
| | 2,542.01 | 2,225.34 |

5. Movement in Funds

| | At April 1 2023 | Incoming Resources | Resources Expended | At March 31 2024 |
|--------------------|--------------------|-----------------------|-----------------------|---------------------|
| Unrestricted funds | 596,366.84 | 46,803.92 | (92,894.97) | 550,275.79 |

COMMUNITY WELFARE TRUST

Detailed Statement Of Financial Activities For The Year Ended 31 Mar 2024

| | 2024 £ | 2023 £ |
|--|--------------------|--------------------|
| Incoming Resources | | |
| Voluntary Income | | |
| Donations | 16,669.48 | 21,845.97 |
| Rental Income | 30,134.44 | 43,781.30 |
| Government Grants | - | - |
| Total Incoming Resources | <u>46,803.92</u> | <u>65,627.27</u> |
| Resources Expended | | |
| Cost of Generating Voluntary Income | | |
| Bank Charges | - | 28.87 |
| Business Rates | 1,388.56 | 557.09 |
| Insurance | 4,509.09 | 4,908.71 |
| Light & Heat | 9,040.61 | 11,202.25 |
| Office Expenses | 27,580.66 | 921.54 |
| Telecommunication | 1,398.81 | 1,789.49 |
| Van Hire | - | 75.00 |
| Sundry Expenses | 162.64 | 1,294.91 |
| Salary & Wages | <u>31,268.00</u> | <u>42,962.73</u> |
| | 75,348.37 | 63,740.59 |
| Governance Cost | | |
| Legal & Professional | 3,077.48 | 2,572.29 |
| Accountancy | <u>1,800.00</u> | <u>1,800.00</u> |
| | 4,877.48 | 4,372.29 |
| Other Expenses | | |
| Depreciation Free Hold Property | 10,940.00 | 10,940.00 |
| Depreciation Equipment | 1,395.74 | 1,642.05 |
| Depreciation Motor Vehicles | <u>333.38</u> | <u>444.50</u> |
| | 12,669.12 | 13,026.55 |
| Total Resources Expended | <u>92,894.97</u> | <u>81,139.43</u> |
| Net Loss | <u>(46,091.05)</u> | <u>(15,512.16)</u> |

