

REGISTERED COMPANY NUMBER: 07914375 (England and Wales)
REGISTERED CHARITY NUMBER: 1147462

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
HMC (UK)**

Shareef & Co
Statutory Auditors
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

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FOR THE YEAR ENDED 31 MARCH 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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

Objectives and aims

- 1.The advancement of the religion of Islam, by means of , but not exclusively, the provision of facilities to enable Muslim members of the public to practise the Islamic religion and in particular to enable them to observe the Islamic dietary requirements and laws relating to Halal food;
- 2.To advance the education of the public by means of, but not exclusively, providing training in matters relating to the Islamic dietary requirements, laws relating to Halal food, food safety and good standards in food hygiene.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

OBJECTIVES AND ACTIVITIES

Significant activities

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit to both those who directly engage with them and the wider communities.

Monitoring & Inspecting

The Trustees believe that due to the vast number of issues that exist in the supply chain of Halal foods as well as the non Halal food sector an extensive Inspection and Monitoring system is paramount to be able to bring an effective solution to members of the community. This solution will then allow the Charities objectives to be fulfilled by education the community on the ethics of Halal and its importance and the HMC solution. There have been many offences for example, where butchers have been fined for selling lamb when it was beef, a firm ordered to pay a fine of £144,000 for falsely claiming ingredients to be halal and Aldi mislabelling food as halal but it contained pork.

As a result the Trustees have adopted a unique monitoring system whereby trained auditors oversee the end to end process where Halal foods are being processed instilling confidence into purchases that consumers make. HMC has adopted a complete traceable system whereby HMC Certified products can be tracked back to their origination ensuring that the purchase of Halal foods is clear and in benefit for the consumer.

HMC (UK) spends an average of 16,000 hours each month inspecting 95 production sites in the presence of trained HMC inspectors who ensure that the HMC Halal standard is adhered to and as a result of adherence each product is applied with a unique serialised label which is traceable back to its origination.

HMC (UK) also independently monitors over 960 retail stores from butchers, restaurants, takeaways, caterers and visits each of these stores a minimum of 4 times a week on a random basis ensuring that these stores are only selling HMC Certified products. This equates to an average of 4000 hours of time spent inspecting to ensure compliance. Each visit is recorded onto the "HMCapp" giving the management team real-time information as to the outcome of each audit. HMC has made 187,000 visits to 950 retail stores over the course of the year.

HMC (UK) currently monitors 75 schools where both the parents and children can have the confidence in knowing that the school meal is monitored and has been prepared with the utmost due care.

Educational Seminars

The purpose of each educational seminar that HMC (UK) organises is to deliver the message of the importance of eating Halal Foods and the work that HMC (UK) does to ensure that all Muslims are given an assured Halal product that has been vetted at all parts of the supply chain. Attendees are also educated on how they can tell the difference between HMC Certified products and non-certified products thus the Muslims and Wider Communities are able to make an informed choice when making a purchase.

Events that have been held by HMC (UK)

Educations Seminar on Provision of eating Halal Foods - Birmingham
Educations Seminar on Provision of eating Halal Foods - Leicester
Educations Seminar on Provision of eating Halal Foods - Batley
Educations Seminar on Provision of eating Halal Foods - Kettering
Educations Seminar on Provision of eating Halal Foods - Coventry
Educations Seminar on Provision of eating Halal Foods - London

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

OBJECTIVES AND ACTIVITIES

Leaflet Distribution

Leaflets explaining the Importance of eating Halal have been distributed periodically to throughout the year via the following methods;

- o Door to door
- o Outside local mosques
- o Outside community centres
- o Left inside community centres
- o Distributed outside at events that HMC has taken part in

Leaflets Explaining the HMC process of "Qurbani" which is carried out during the sacrificial season of Eid. HMC had a leaflet that was produced which outlined on the guidance of Qurbani as well as how HMC was going to monitor and inspect during this period. From our research it is evident that much of the sacrifice is carried out at the un-prescribed times making the whole process void.

As a result of the HMC process the community benefit in knowing that the complete end is monitored and inspected ensuring that process is valid.

Birmingham Trading Standard in 2016 also visited retail stores in Birmingham and validated their findings via the HMC Certification mark.

Guest on Radio Shows

Members of the HMC team have been invited on to a number of radio programs to discuss the ethics of Halal and to give a synopsis on the production process. A member of HMC has been invited on to the following radio stations to give an insight into Halal where members of the community could pose questions for them to gain a better understanding of Halal and to answer any questions.

LBC

BBC Radio Leicester

BBC Radio 4

BBC Radio 5

BBC Nottingham

BBC Oxford

BBC Asian Network

Radio South Africa

Visiting Businesses and educating them on the Halal Standard

HMC (UK) receives a number of enquiries from businesses who want to know the requirements when processing Halal foods and as a result a trained personnel would talk through the Halal process and if requested make a visit and make recommendation.

STRATEGIC REPORT

Financial position

The Charity received income during the year of £2,473,524 and incurred expenditure of £2,322,287. This resulted in a surplus of £151,237 (2021 £294,085). At 31 March 2022 the Charity had reserves of £438,991.

Investment policy and objectives

The charity has no long term investments. Due to the current financial situation of the trust, the trustees acknowledge that the trust is not in a position at this time to invest capital in long term investment opportunities. Cash reserves are held in deposit accounts. The trustees are researching investment opportunities to support their reserves policy and future sustainability.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Financial review

Reserves policy

The trustees would like to see the trust in a position whereby it would have sufficient reserves to cover the running costs of all trust projects for a period of 12 months. Unfortunately with the current economic downturn, and hence reduction in donations - the current financial position has not permitted the trust to build cash reserves to achieve this objective. However, the trustees remain committed to achieving this policy in the coming year(s).

Financial and risk management objectives and policies

The trustees maintain strict financial and internal controls on behalf of the trust. The trust has recently employed a bookkeeper to ensure that all financial transactions are duly recorded and processed in accordance with the financial procedures policy of the trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

HMC (UK) is governed by its memorandum and articles of association which outlines the framework and standards that the charity must work to and adopt in terms of decision making as well as internal policies that have been created to bring transparency to way the charity operates.

Recruitment and appointment of new trustees

Should the charity be looking for a new Trustee then the potential candidate is nominated by existing members. The potential candidate is interviewed and appointed to bring value to the core management team ensuring that their skills and knowledge can benefit the charity. All trustees are volunteers who dedicate their time and skills to benefit HMC (UK).

Organisational structure

The charity is managed by a board of trustees who are responsible for the general control and management of the charity. All of the trustees are volunteers and hence give their time freely and receive no remuneration or other financial benefits for their role as trustees.

The Board of Trustees have formal meetings every 10 weeks (approximately) to review the on-going activities of the charity. However, arrangements are in place for trustees to be able to formally discuss and consider issues more frequently as the need arises (eg, via telephone conference). In order to monitor the outcome and progress of certain projects, individual trustees may visit project locations and attend project events during the year.

Induction and training of new trustees

All new trustees are inducted into the organisation via training program that covers operational, strategic, decision making and future plans which gives the new member an insight into the work of HMC (UK). Being a field based Charity new members are taken into the field to attain a better understanding of all the operational processes which shows the HMC processes in motion so that a clear picture can be attained for all strategic decision making.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07914375 (England and Wales)

Registered Charity number

1147462

HMC (UK)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Registered office

Units 8 & 9
Leicester Business Centre
111 Ross walk
Leicester
Leicestershire
LE4 5HH

Trustees

Mr Yaseen Esmail Khalifa Director
Mr Umar Sheikh Director
Mr Sikander Khan Pathan Director

Company Secretary

Auditors

Shareef & Co
Statutory Auditors
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of HMC (UK) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


AUDITORS

The auditors, Shareef & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

HMC (UK)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26 January 2023 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'U. Sheikh', written over a horizontal line.

Mr Umar Sheikh - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HMC (UK)

Opinion

We have audited the financial statements of HMC (UK) (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HMC (UK)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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:

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and taxes impacting the different territories, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and FRS 102. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to achieve desired financial results and the manipulation of exceptional items and management bias in accounting estimates. Audit procedures performed by the engagement team included, but were not limited to: - enquiries with management, and the Company's legal counsel (internal and, where relevant, external), including consideration of known or suspected instances of fraud and non-compliance with laws and regulations and examining supporting calculations where a provision has been made in respect of these; reading key correspondence with regulatory authorities in relation to compliance with certain employment laws and indirect tax matters; - understanding and evaluating the design and implementation of management's controls designed to prevent and detect irregularities; - challenging assumptions and judgements made by management in their significant accounting estimates, in particular, in relation to accrued expenses; - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations and postings by unusual users; There are inherent limitations in the audit procedures described above 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 would become aware of it. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HMC (UK)**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Shareef & Co
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

26 January 2023

HMC (UK)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

		2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	1,630	1,645
Other trading activities	3	2,448,233	2,403,277
Other income		23,661	87,229
Total		2,473,524	2,492,151
EXPENDITURE ON			
Charitable activities	4		
Unrestricted		2,322,287	2,323,191
NET INCOME		151,237	168,960
RECONCILIATION OF FUNDS			
Total funds brought forward		287,754	118,794
TOTAL FUNDS CARRIED FORWARD		438,991	287,754

The notes form part of these financial statements

HMC (UK)

BALANCE SHEET
31 MARCH 2022

		2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS	Notes		
Tangible assets	10	10,175	12,718
CURRENT ASSETS			
Debtors	11	391,952	328,009
Cash at bank and in hand		437,552	413,141
		<u>829,504</u>	<u>741,150</u>
CREDITORS			
Amounts falling due within one year	12	(400,688)	(466,114)
NET CURRENT ASSETS		<u>428,816</u>	<u>275,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>438,991</u>	<u>287,754</u>
NET ASSETS/(LIABILITIES)		<u>438,991</u>	<u>287,754</u>
FUNDS	14		
Unrestricted funds		438,991	287,754
TOTAL FUNDS		<u>438,991</u>	<u>287,754</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.


The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2023 and were signed on its behalf by:



The notes form part of these financial statements

HMC (UK)

BALANCE SHEET - continued
31 MARCH 2022

Mr Umar Sheikh - Trustee

The notes form part of these financial statements

HMC (UK)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	29,155	282,041
Interest paid		(4,744)	(4,305)
Net cash provided by operating activities		<u>24,411</u>	<u>277,736</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(6,277)
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(6,277)</u>
Change in cash and cash equivalents in the reporting period		<u>24,411</u>	<u>271,459</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>412,231</u>	<u>140,772</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>436,642</u></u>	<u><u>412,231</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	2022	2021	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	151,237	168,960	
Adjustments for:			
Depreciation charges	2,543	3,179	
Interest paid	4,744	4,305	
(Increase)/decrease in debtors	(63,943)	87,806	
(Decrease)/increase in creditors	(65,426)	17,791	
Net cash provided by operations	29,155	282,041	
2. ANALYSIS OF CASH AND CASH EQUIVALENTS			
	2022	2021	
	£	£	
Cash in hand	247	88	
Notice deposits (less than 3 months)	437,305	413,053	
Overdrafts included in bank loans and overdrafts falling due within one year	(910)	(910)	
Total cash and cash equivalents	436,642	412,231	
3. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank and in hand	413,141	24,411	437,552
Bank overdraft	(910)	-	(910)
	412,231	24,411	436,642
Total	412,231	24,411	436,642

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs are allocated by the trustees in the SOFA on the basis of accounting principles to correctly reflect expenses in the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>1,630</u>	<u>1,645</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Monitoring fees	<u>2,448,233</u>	<u>2,403,277</u>

4. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 5)
	£
Unrestricted	<u>2,322,287</u>

5. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Unrestricted	<u>2,319,287</u>	<u>3,000</u>	<u>2,322,287</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	3,000	3,000
Depreciation - owned assets	<u>2,543</u>	<u>3,179</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

8. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	<u>1,959,824</u>	<u>2,009,784</u>
	<u>1,959,824</u>	<u>2,009,784</u>

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

	2022	2021
	166	170

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,645
Other trading activities	2,403,277
Other income	<u>87,229</u>
Total	<u>2,492,151</u>
EXPENDITURE ON	
Charitable activities	
Unrestricted	2,323,191
NET INCOME	<u>168,960</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	118,794
TOTAL FUNDS CARRIED FORWARD	<u><u>287,754</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2021 and 31 March 2022	<u>33,132</u>	<u>2,522</u>	<u>35,654</u>
DEPRECIATION			
At 1 April 2021	21,070	1,866	22,936
Charge for year	<u>2,412</u>	<u>131</u>	<u>2,543</u>
At 31 March 2022	<u>23,482</u>	<u>1,997</u>	<u>25,479</u>
NET BOOK VALUE			
At 31 March 2022	<u>9,650</u>	<u>525</u>	<u>10,175</u>
At 31 March 2021	<u>12,062</u>	<u>656</u>	<u>12,718</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	388,452	324,509
Prepayments	<u>3,500</u>	<u>3,500</u>
	<u>391,952</u>	<u>328,009</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank loans and overdrafts (see note 13)	910	910
Trade creditors	29,590	51,179
Tax	18,068	18,068
Social security and other taxes	43,319	33,507
VAT	61,902	80,124
Other creditors	8,007	7,652
Wages control account	133,648	136,145
Pension control	8,468	7,404
Accrued expenses	<u>96,776</u>	<u>131,125</u>
	<u>400,688</u>	<u>466,114</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Bank overdrafts	910	910

14. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	287,754	151,237	438,991
TOTAL FUNDS	287,754	151,237	438,991

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,473,524	(2,322,287)	151,237
TOTAL FUNDS	2,473,524	(2,322,287)	151,237

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	118,794	168,960	287,754
TOTAL FUNDS	118,794	168,960	287,754

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,492,151	(2,323,191)	168,960
TOTAL FUNDS	<u>2,492,151</u>	<u>(2,323,191)</u>	<u>168,960</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	118,794	320,197	438,991
TOTAL FUNDS	<u>118,794</u>	<u>320,197</u>	<u>438,991</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,965,675	(4,645,478)	320,197
TOTAL FUNDS	<u>4,965,675</u>	<u>(4,645,478)</u>	<u>320,197</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,630	1,645
Other trading activities		
Monitoring fees	2,448,233	2,403,277
Other income		
Furlough receipts	23,661	87,229
Total incoming resources	2,473,524	2,492,151
EXPENDITURE		
Support costs		
Management		
Wages	1,959,824	2,009,784
Rent, rates and service charge	22,110	21,463
Insurance	11,272	9,656
Telephone	19,226	17,106
Postage and stationery	6,315	4,096
Advertising	21,229	8,644
Sundries	1,400	853
Carriage	5,216	4,548
Repairs and maintenance	2,645	205
Marketing events	3,703	300
Cardless charges	5,644	4,606
Computer expenses	69,849	58,676
Protective clothing	1,830	1,310
Motor and travelling	2,185	1,940
Staff training	525	1,869
Legal and professional	28,606	46,303
Donations	13,158	-
Bookkeeping fees	17,880	17,950
Materials, labels and tapes	119,014	110,841
Bad debts	369	(7,443)
Plant and machinery	2,412	3,015
Fixtures and fittings	131	164
Interest and charges	4,744	4,305
	2,319,287	2,320,191
Governance costs		
Auditors' remuneration	3,000	3,000
Total resources expended	2,322,287	2,323,191
Net income	151,237	168,960

This page does not form part of the statutory financial statements