

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
FOR
THE WELCOME CENTRE (HUDDERSFIELD)**

Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

THE WELCOME CENTRE (HUDDERSFIELD)

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for the year ended 31 August 2021**

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**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. 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 October 2019).

OBJECTIVES AND ACTIVITIES

Object of the Charity

The relief of persons suffering from poverty, sickness, disadvantage and distress arising therefrom, by providing practical advice, guidance and support.

Charitable activities

The Charity provides practical support to people experiencing extreme disadvantage in the Huddersfield area by:

- supplying a range of emergency packs to individuals and families in crisis
- receiving and storing donations of food, toiletries, bedding, basic household items and other goods which are made up into packs
- providing advice, guidance and support to assist individuals with underlying problems to make progress
- offering referrals and signposting to services and agencies that can help with specific needs
- delivering a fair, non-judgmental and inclusive service in a way that respects people's dignity
- working in partnership with local agencies and services, faith groups, schools, businesses and the media
- adapting our provision to meet needs through monitoring, feedback and consultation
- operating a year-round service
- offering volunteering opportunities to help individuals to gain skills, confidence and self-respect as a steppingstone into employment.

The Welcome Centre (Huddersfield) has been operating since 1997. The number of people supported by The Welcome Centre has increased year on year since its inception, and The Welcome Centre now supports thousands of people each year. The Welcome Centre is meeting a real need in supplementing statutory and voluntary provision for those in crisis in our community. The Board has the objects of the charity at the front of its mind when making decisions and has regard to the guidance issued by the Charity Commission on public benefit.

Strategic Objectives

The board remain focussed on three key strategic objectives, which were set out in our three-year plan in 2019:

- To increase our effectiveness in tackling food poverty across the area we serve.
- To develop our advice, guidance and support service in order to increase capacity for supporting clients out of food poverty
- To be outward looking, locally, regionally and nationally to share best practice and learn from others

REPORT OF THE TRUSTEES
for the year ended 31 August 2021

Volunteers

Volunteers are at the very heart of our organisation; they are essential to all areas of our work. We value our volunteer team greatly and strive to make volunteers feel proud of their contribution to our team.

Our volunteers come from all walks of life, and carry out a wide variety of roles at the Centre, including:

- Delivery Drivers: collecting donations from corporate and community supporters, and transporting stock between The Welcome Centre's two sites
- Warehouse: checking, sorting, and recording all incoming donations of goods
- Administration support: book-keeping, data entry, and fundraising administration tasks
- Event support: helping at fundraising events and collections, and giving talks on behalf of The Welcome Centre
- Specialist support: providing specialist advice on areas including legal matters, health and safety, policy and procedures, and logistics and IT, and serving on sub-groups
- Phone referrals: taking incoming client referral phone calls from frontline agencies
- Store: making up client packs of food, bedding, toiletries, etc
- Fresh and donations: handling incoming donations to our Lord Street site, and making up the fresh food part of client food packs
- Reception: due to the ongoing Covid-19 pandemic, our reception volunteers' role was amended to pack crates with for distribution and to ensure packs were ready for collection at the door for emergency referring agencies to collect

We currently have 107 volunteers at The Welcome Centre, most of whom volunteer with us regularly, and some of whom volunteer seasonally or on a more casual basis. Our volunteers are recruited, trained, inducted, and supported by our staff team.

In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

ACHIEVEMENT AND PERFORMANCE

Our achievements in 2020-21

The Welcome Centre has been successful in continuing to meet growing demand for practical crisis support in South Kirklees. We have also offered our Advice, Guidance and Support (AGS) service to our clients, helping them to transition beyond food bank dependency by providing tailored, one to one support.

We are proud of The Welcome Centre's achievements throughout the ongoing challenges posed by the Covid-19 pandemic.

Operating in unprecedented, and rapidly changing circumstances, The Welcome Centre was able to maintain uninterrupted delivery of its core services despite unprecedented levels of demand for support.

We are especially proud that the resilience and efforts of The Welcome Centre team has enabled us to make continual progress with the expansion of our AGS service; successfully recruiting a new Service Manager and Deputy Service Manager to develop this offer, whilst still providing uninterrupted, high quality support to our growing number of clients.

Our external partners offered us additional support to ensure we were able to continue to deliver our service to the high standard. Our donors and supporters in the community showed incredible generosity in their financial support, giving us the freedom and flexibility to purchase shortages, against a backdrop of additional challenges posed by National issues with logistics and supply chain.

STATISTICAL OVERVIEW FOR 2020-2021

	September 2020 - August 2021	September 2019 - August 2020	Percentage change
Total Referrals	10,527	10,777	-2.3%
Total Number of referring agencies	126	135	-6.7%
Total Unique People Helped	4,670	4,487	4.1%
Total Unique Children Helped	1,653	1,369	20.7%
% clients with just one referral	43.1%	44.3%	n/a
% clients with more than 3 referrals	29.75%	30.73%	n/a
Total Pack Count	16,842	15,484	8.8%
Food Pack Count	10,224	10,495	-2.6%
Person Food Days	114,308	98,549	16%
Meals Provided	320,062	275,937	16%

As can be seen above, The Welcome Centre once again saw an increased output in 2020-2021.

Referral numbers have spiked throughout the year at expected times and as a result of short periods of regional and local lockdown. We ended this financial year with a slight overall reduction in referral numbers than in the previous year at the height of the pandemic.

We have however seen a steady increase in need per referral as family budgets become further stretched due to increasing energy and food costs. This was evidenced in the large amount of additional toiletry and homeware packs and increased requests for crisis provision of white and brown goods.

Perhaps the most distressing trend this year has been the vast increase in the number of children needing our support, despite best efforts by the Local Authority to provide the cash equivalent of Free School Meals provision throughout the school holidays.

We have responded to this with additional food provision during school holidays and developing new packs for babies and children. We have also continued to increase the nutritional value of our packs with the inclusion of eggs and additional fresh fruit and vegetables.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

Partnership working

The Welcome Centre continues to be outward looking in our work, and to seek to share best practice with and learn from others in our sector. We are a founding member of the Kirklees Food Network, which brings together emergency food providers across our region and local authority partners, to ensure a joined up, efficient approach to tackling food poverty. We are also an active participant in Feeding West Yorkshire, and the Independent Food Aid Network; respectively regional and national networks of emergency food providers. We are actively involved in the Kirklees Tackling Poverty Partnership, a large borough-wide partnership of public and third sector organisations, exploring long-term solutions to tackling poverty locally.

This year we have also worked more closely with Fusion food bank (our counterpart in North Kirklees) to better align our offer to ensure provision becomes more uniform across the Borough.

We substantially changed our operation during the height of the pandemic to a delivery model, supported by Kirklees Council and Kirklees Neighbourhood Housing (now Kirklees), who provided us with significant operational and logistical support during national lockdowns.

Through close partnership working, we were able as a group to ensure that uninterrupted, standardised provision across the whole of Kirklees remained in place. We are continuing to work closely with these partners moving forwards, to expand on these foundations as we move towards reopening our Centre and providing our clients with a hybrid model of delivery & collection.

We have focussed heavily on increasing the nutritional value of our food packs this year and have sought advice from registered dieticians to try to reduce the quantity of high fat, sugar and salt products within, prioritising work on packs for babies and children.

To assist this, we have strengthened our partnership with Yorkshire Children's Centres and have distributed vitamins and applications for Healthy Start vouchers with our food packs.

This has been supported by joining local and regional public health networks including the Healthy Weight strategy, Healthy & Resilient Food Systems Network, Health & Wellbeing Strategic Steering Group.

Understanding our clients, referring agencies, staff and volunteers

We have once again conducted annual surveys to gather feedback from our clients, referral agencies, staff, and volunteers, so that we can continue to improve and evolve our service.

We are pleased that in all four cases the majority of replies were positive and supportive of what we already do. The feedback we received through these services has helped to feed into the Centre's plans moving forward, so we can continue to improve. We were especially delighted that feedback from clients regarding pack quality and customer service from our delivery drivers has been exceptionally positive.

Staff

The Welcome Centre relies on a small team of three full time members of staff and four part time members of staff operating across its two sites. During 2021 we recruited a new General Assistant, AGS service manager and deputy service manager and are currently recruiting a full-time driver to start in November 2021. We aim to recruit an additional AGS worker by the end of the year.

Operations and logistics

The Welcome Centre operates over two sites. Our primary base is in Huddersfield town centre, this is where we take incoming telephone referrals, make up crisis packs for clients, and where clients come to pick up their packs, and to access our Advice, Guidance and Support service.

Our second site is a warehouse on the outskirts of Huddersfield town centre, where we sort and store incoming donations of goods. We operate a van, provided by Kirklees Council and driven by volunteers, which transports stock between our sites, and picks up donations from our collection points throughout the community.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2021

Ordinarily, both our sites are open to the public; our clients and referrers access our town centre base, and supporters dropping off donations access both sites. During the Covid-19 lockdown, we had to close both our sites to the public and introduce new ways of working. We have now reopened our warehouse and will be reopening our centre to the public from November 2021, we have stopped taking donations of goods at our Lord Street centre to ease space restrictions and as a further safety measure.

We continue to operate safely and efficiently in line with local advice for Covid-19 and continue to ask our supporters to support us financially rather than donating stock.

Future Plans and Priorities

Trustees have agreed the direction and ambition of a draft three-year strategic plan for 2021-2024.

This has been devised to respond to the increasing and rapid change in both current client need and the change to our client demographic seen throughout the Covid-19 pandemic.

This will encompass regional and national trends in the provision of crisis support and aims to move clients rapidly and robustly to a place of independence and dignity.

Our strategic priorities and aims are encompassed below:

To provide a high quality, flexible service to those experiencing food poverty in our area.

This service will:

- guarantee high quality food parcels which meet the needs & preferences of clients
- boost the dignity, self-esteem & independence of clients by means of offering greater choice and flexibility
- offer place-based support to clients at different stages of their journey
- develop across all areas of South Kirklees to meet needs across the Borough

To provide a first class AGS service to meet the widest range of need.

This will involve:

- developing a highly trained team of staff and volunteers
- offering bespoke advice, guidance & support to clients that are in crisis, in food insecurity and at risk of falling into food poverty and for those transitioning out of food poverty

To expand & enhance our partnership working to secure the above.

These partnerships include: staff & volunteers, referral agencies, donors & supporters, local, regional & national networks

FINANCIAL REVIEW

Financial Position

The Welcome Centre's financial position at the end of the 2020-21 year remains healthy, after a year in which we yet again attained a record high for income in a twelve-month period. Whilst there have been no significant changes to the range of services offered by The Welcome Centre during the year, we have seen continued growth in client demand, especially in the help we give to families.

Total income increased by 45% due to significant increase in grants (up by 252%) and donations (up by 50% on the previous year). We have continued to see a large increase in grants to support our advice work (up by 65% on the previous year).

Our services have once again seen a large increase in demand, resulting in a 20% increase in expenditure. The cash flow improved by £352k in the year, thanks largely to the significant increase in grants and gifts. Our year end cash position increased to £688k. Restricted and designated funds amount to £279k, leaving a general cash reserve of £409k, compared to £182k in August 2020.

The increase in cash reserves allows us to plan with confidence for the future, allowing us to fund a delivery service, expand our advice activities and implement changes to give our clients more choice in what they receive from us.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2021**

Principal Funding Sources

The Welcome Centre received all of its income from five main sources:

1. Donations and its associated gift aid from members of the public, faith organisations, schools, businesses and other charities (51% of total income).
2. Corporate sponsorship and general grants to support the operational costs of running the centre (10% of total income).
3. Restricted grants to fund projects, support roles, or activities within The Welcome Centre (28% of total income).
4. Capacity building support from Kirklees Council Local Welfare Team (10% of total income).
5. Fundraising events organised by staff, volunteers and supporters (1% of total income).

For long term sustainability, we would like to increase our income from corporate sponsorship, donations and fundraising to a level in excess of 75% of total income over the next 3 years. Work towards this target was impacted in 2020/21 due to the large value of Covid related grants (£233k) that we received.

Principal Costs and Expenses

The Welcome Centre's expenditure falls into four main categories, described below:

1. Goods distributed to clients, which is our most significant cost, representing 30% of total income. Around 53% of this is met from non-financial donations received from our supporters, with the balance comprising items purchased by ourselves. We have seen a significant increase in goods purchased, due to pack improvements implemented and the closure of our warehouse to the public due to Covid restrictions.
2. Employment costs relate to salary and pension costs of our 7 staff. At 15% of total income, this is our second most significant cost.
3. Accommodation costs cover the rent and upkeep of two premises and represents 5% of income.
4. Grants made to clients for large household items, such as electrical goods and furniture has increased significantly in 2020/21, due to Covid related grants, that equated to over 13% of income. All of this expenditure is covered by restricted grants received from organisations.
5. Other small items of expenditure make up the balance of costs, such as IT, telephone, insurance, professional fees, training costs and publicity materials, amounting to 5% of income.

Restricted Funding

The Welcome Centre has been fortunate again this year to receive several grants totalling £281,710 to support specific projects or restricted activities. This funding was focussed on two main areas:

1. Donations to purchase food and other goods for distribution (£15,094)
2. Targeted support for specific purchases made on behalf of our clients (£34,050)
3. Covid related grants from Kirklees Council which were used to purchase food, or provide targeted support for our clients (£232,566)

Capital Expenditure

In 2020/21 zero was spent on fixed asset additions, as our expansion plans were delayed due to the pandemic.

The budget for 2021/22 includes around £50,000 of capital expenditure, to cover further improvements in Lord Street to support the growth of our range of activities.

Reserves Policy

In accordance with guidance from the Charity Commission, The Welcome Centre has a policy relating to the retention and management of a financial reserve to ensure that the charity's ongoing and future activities are reasonably protected from unexpected variances in its income and expenditure. We aim to hold a cash reserve, to provide for 6 months full operating costs for our core activities (excluding the value of donated items, designated funds and restricted expenditure). In addition, we also aim to retain a balance within our current account equivalent to one month's operating costs. The monthly running costs in 2020/21 amounted to around £32,457 requiring a total reserve of £227,202, which is fully funded.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2021

Free reserves as at 31 August 2021 were £658,840 which is £431,638 above the minimum required by our reserves policy. The level of reserves will provide funding support as we develop our plans to increase our services and to respond to the unknown medium to long term ramifications of the COVID-19 outbreak. In addition, we anticipate an increased requirement for our services in the next financial year, in light of the reduction in Universal Credit, increase in National Insurance, increase in food, fuel and energy prices which will all have a negative impact on our clients.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Welcome Centre is registered as a Charitable Incorporated Organisation and its governing document (CIO conversion dated 10 January 2019, and amended 3 February 2020) is its constitution.

Recruitment and appointment of new trustees

Board of Trustees

The charity is overseen by a Board of Trustees, which consists of ten Trustees led by the Chairperson, who provide governance to the organisation. The Trustees formally meet as a Board four times a year to discuss, challenge and review the activities of the charity in line with the roles and responsibilities as defined by the Charities Commission. The Board also delegates responsibility to four sub-committees each led by a Trustee which are:

1. Finance and Operations
2. Marketing and Fundraising
3. Human Resources and Volunteering
4. Advice, Guidance and Support

The Governing document allows the trustees to meet and conduct meetings virtually which the trustees have done this year in line with Government restrictions and recommendations.

The Trustees act on a voluntary basis and receive no remuneration for the performance of their duties. Trustee activities are insured by a Trustee indemnity insurance policy paid for by The Welcome Centre.

Trustees are appointed from among full members, who are formally confirmed by the Board following an appointment process, which includes induction. Members sign a Code of Conduct and join one of the four subgroups of the Board.

New trustees undergo an orientation to brief them on their legal obligations under charity law, the Charity Commission guidance on public benefit, and the Governing Document, the committee and decision-making processes, the strategic plan and recent financial performance of the charity. They also meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and reports to the Chairperson. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters.

Trustee Terms of Office

Trustees hold office for a maximum term of six years from the date of their appointment.

During the year ending 31 August 2021, two trustees reached the end of their term of office or resigned, and two new trustees were appointed. One trustee has exceeded their term of office, but this was due to the stability required during the pandemic.

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity faces;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review
- Consideration of major risks at each meeting and each subgroup has risk as a standing item on its agenda via a risk matrix.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2021

The pandemic has resulted in a number of new risks being identified, including non-financial risks. These risks are managed by having robust policies and procedures in place, regular awareness training for staff working in these operational areas and detailed plans were produced in response to the Coronavirus pandemic.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Related party transactions are reported at note 18.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1151282

Registered office

15 Lord Street
Huddersfield
HD1 1QB

Trustees

Jeanne Watson	Chair
Richard Whiteley	Treasurer
John Steven Ainley	Secretary
Catherine Mary Bottomley	(resigned 23.11.20)
Yvonne Harding	
Joy Nixon	(resigned 23.11.20)
Andrew Mark Tomlinson	
Julia Norman	
Khalid Siddique	
Henry Filloux-Bennett	
Emily Smith	(appointed 25.1.21)
Gill Bruce	(appointed 25.1.21)

Independent Examiner

Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

Approved by the board of Trustees on 25th October 2021 and signed on its behalf by:

J Watson – Chair of Trustees

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE WELCOME CENTRE (HUDDERSFIELD)

Independent examiner's report to the trustees of The Welcome Centre (Huddersfield) ('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of your charity's accounts as carried out under section 145 of 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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as 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 in order to enable a proper understanding of the accounts to be reached.

Kevin Winterburn ACA
Institute of Chartered Accountants in England and Wales
Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

Date: 2 November 2021

THE WELCOME CENTRE (HUDDERSFIELD)**STATEMENT OF FINANCIAL ACTIVITIES**
for the year ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	575,845	34,050	609,895	550,794
Charitable activities					
Support services and food packs	5	129,152	247,660	376,812	123,826
Other trading activities	3	8,714	-	8,714	12,957
Investment income	4	<u>-</u>	<u>-</u>	<u>-</u>	<u>774</u>
Total		713,711	281,710	995,421	688,351
EXPENDITURE ON					
Charitable activities					
Support services and food packs	6	417,708	260,290	677,998	562,613
Other		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,309</u>
Total		417,708	260,290	677,998	563,922
NET INCOME		296,003	21,420	317,423	124,429
RECONCILIATION OF FUNDS					
Total funds brought forward		362,837	36,108	398,945	274,516
TOTAL FUNDS CARRIED FORWARD		<u>658,840</u>	<u>57,528</u>	<u>716,368</u>	<u>398,945</u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

BALANCE SHEET

31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	3,992	6,144	10,136	13,571
CURRENT ASSETS					
Stocks	14	28,050	-	28,050	38,908
Debtors	15	13,112	-	13,112	26,954
Cash at bank and in hand		<u>636,233</u>	<u>51,462</u>	<u>687,695</u>	<u>335,946</u>
		677,395	51,462	728,857	401,808
CREDITORS					
Amounts falling due within one year	16	(22,547)	(78)	(22,625)	(16,434)
NET CURRENT ASSETS		<u>654,848</u>	<u>51,384</u>	<u>706,232</u>	<u>385,374</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>658,840</u>	<u>57,528</u>	<u>716,368</u>	<u>398,945</u>
NET ASSETS		<u><u>658,840</u></u>	<u><u>57,528</u></u>	<u><u>716,368</u></u>	<u><u>398,945</u></u>
FUNDS	17				
Unrestricted funds:					
General fund				431,638	236,516
Long Term Reserve				194,745	108,275
Designated Funds				<u>32,457</u>	<u>18,046</u>
				<u>658,840</u>	<u>362,837</u>
Restricted funds:					
Premises Expansion				4,583	5,583
Renewal of Critical Infrastructure				-	721
Additional Cold Food Storage Capacity				1,493	1,768
Volunteers Breakroom Project				69	84
ACTS 435 Provision of Grants to Clients				1,430	120
Sustainability				-	663
Town Foundation				-	4,960
Feeding Families				9,774	12,108
Family Action				-	100
Garfield Weston Fund				1	1
KMC - Local Welfare Provision				18,719	10,000
KMC – Covid Grants				<u>21,459</u>	<u>-</u>
				<u>57,528</u>	<u>36,108</u>
TOTAL FUNDS				<u><u>716,368</u></u>	<u><u>398,945</u></u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

BALANCE SHEET - continued

31 August 2021

The financial statements were approved by the Board of Trustees and authorised for issue on 25th October 2021 and were signed on its behalf by:

J Watson – Chair of Trustees

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)**CASH FLOW STATEMENT
for the year ended 31 August 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>351,749</u>	<u>91,180</u>
Net cash provided by operating activities		<u>351,749</u>	<u>91,180</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		-	(659)
Interest received		<u>-</u>	<u>774</u>
Net cash provided by investing activities		<u>-</u>	<u>115</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		351,749	91,295
Cash and cash equivalents at the beginning of the reporting period		<u>335,946</u>	<u>244,651</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>687,695</u></u>	<u><u>335,946</u></u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	317,423	124,429
Adjustments for:		
Depreciation charges	3,435	5,942
Interest received	-	(774)
Decrease/(increase) in stocks	10,858	(13,536)
Decrease/(increase) in debtors	13,842	(19,746)
Increase/(decrease) in creditors	<u>6,191</u>	<u>(5,135)</u>
Net cash provided by operations	<u><u>351,749</u></u>	<u><u>91,180</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	<u>335,946</u>	<u>351,749</u>	<u>687,695</u>
	<u>335,946</u>	<u>351,749</u>	<u>687,695</u>
Total	<u><u>335,946</u></u>	<u><u>351,749</u></u>	<u><u>687,695</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements 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)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The Charity constitutes public benefit as defined by FRS 102.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Fixtures and fittings	- 10% on cost
Computer equipment	- 25% on cost

Stocks

Stocks represent goods donated or purchased which have yet to be distributed to beneficiaries. Stocks are valued on the basis of either their purchase price (bought in items) or the estimated cost of the goods in an open market (donated goods).

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.

Donated goods

Income is recognised by the charity for goods donated at fair value based on the estimated cost of the goods in an open market, when the Charity takes control of the donated goods.

Initially the donated items are recorded as stock, with the corresponding amounts recorded as donations. When the stocks are distributed to beneficiaries, they are recognised as an expense in the SoFA.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations and gifts	456,188	461,283
Gift aid	50,938	17,149
Client support payments	34,050	46,834
Corporate sponsorship	68,719	25,528
	<u>609,895</u>	<u>550,794</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising activities	<u>8,714</u>	<u>12,957</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>-</u>	<u>774</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Grants	Support services and food packs	<u>376,812</u>	<u>123,826</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Kirklees Community Partnerships	-	10,942
Kirklees Covid Grants	232,566	-
Kirklees Capacity Building	103,152	58,384
One Community Foundation	20,000	3,500
Town Foundation	-	14,500
Howitt Homeless Trust	-	500
William Brooke Benevolent Fund	15,000	15,000
Groundwork UK	1,000	1,000
The Martin Lewis Coronavirus Charity Fund	-	10,000
CAF Coronavirus Emergency Fund	-	10,000
Co-op Community Fund	3,694	-
GSB Christian Trust	1,000	-
The Neighbourly Foundation	400	-
	<u>376,812</u>	<u>123,826</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Support services and food packs	<u>547,309</u>	<u>128,617</u>	<u>2,072</u>	<u>677,998</u>

7. GRANTS PAYABLE

	2021 £	2020 £
Support services and food packs	<u>128,617</u>	<u>48,558</u>

8. SUPPORT COSTS

	Governance costs £
Independent examiners fees	920
Professional fees	<u>1,152</u>
	<u>2,072</u>

9. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	<u>3,435</u>	<u>5,942</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**11. STAFF COSTS**

	2021 £	2020 £
Wages and salaries	<u>153,191</u>	<u>135,373</u>
	<u>153,191</u>	<u>135,373</u>

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

	2021	2020
Support staff - Full time equivalent	<u>6</u>	<u>6</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	502,834	47,960	550,794
Charitable activities			
Support services and food packs	74,028	49,798	123,826
Other trading activities	12,957	-	12,957
Investment income	<u>774</u>	<u>-</u>	<u>774</u>
Total	590,593	97,758	688,351
EXPENDITURE ON			
Charitable activities			
Support services and food packs	458,546	104,067	562,613
Other	<u>1,309</u>	<u>-</u>	<u>1,309</u>
Total	459,855	104,067	563,922
NET INCOME/(EXPENDITURE)	130,738	(6,309)	124,429
RECONCILIATION OF FUNDS			
Total funds brought forward	232,099	42,417	274,516
TOTAL FUNDS CARRIED FORWARD	<u>362,837</u>	<u>36,108</u>	<u>398,945</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021**13. TANGIBLE FIXED ASSETS**

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2020 and 31 August 2021	<u>3,559</u>	<u>24,658</u>	<u>27,277</u>	<u>55,494</u>
DEPRECIATION				
At 1 September 2020	3,559	12,055	26,309	41,923
Charge for year	<u>-</u>	<u>2,467</u>	<u>968</u>	<u>3,435</u>
At 31 August 2021	<u>3,559</u>	<u>14,522</u>	<u>27,277</u>	<u>45,358</u>
NET BOOK VALUE				
At 31 August 2021	<u>-</u>	<u>10,136</u>	<u>-</u>	<u>10,136</u>
At 31 August 2020	<u>-</u>	<u>12,603</u>	<u>968</u>	<u>13,571</u>

14. STOCKS

	2021 £	2020 £
Stocks	<u>28,050</u>	<u>38,908</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	-	16,605
Prepayments	<u>13,112</u>	<u>10,349</u>
	<u>13,112</u>	<u>26,954</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	2,786	1,491
Social security and other taxes	-	5,178
Accruals and deferred income	<u>19,839</u>	<u>9,765</u>
	<u>22,625</u>	<u>16,434</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	236,516	296,003	(100,881)	431,638
Long Term Reserve	108,275	-	86,470	194,745
Designated Funds	<u>18,046</u>	<u>-</u>	<u>14,411</u>	<u>32,457</u>
	362,837	296,003	-	658,840
Restricted funds				
Premises Expansion	5,583	(1,000)	-	4,583
Renewal of Critical Infrastructure	721	(721)	-	-
Additional Cold Food Storage Capacity	1,768	(275)	-	1,493
Volunteers Breakroom Project	84	(15)	-	69
ACTS 435 Provision of Grants to Clients	120	1,310	-	1,430
Sustainability	663	(663)	-	-
Town Foundation	4,960	(4,960)	-	-
Feeding Families	12,108	(2,334)	-	9,774
Family Action	100	(100)	-	-
Garfield Weston Fund	1	-	-	1
KMC - Local Welfare Provision	10,000	8,719	-	18,719
KMC – Covid Grants	<u>-</u>	<u>21,459</u>	<u>-</u>	<u>21,459</u>
	<u>36,108</u>	<u>21,420</u>	<u>-</u>	<u>57,528</u>
TOTAL FUNDS	<u>398,945</u>	<u>317,423</u>	<u>-</u>	<u>716,368</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	713,712	(417,709)	296,003
Restricted funds			
Premises Expansion	-	(1,000)	(1,000)
Renewal of Critical Infrastructure	-	(721)	(721)
Additional Cold Food Storage Capacity	-	(275)	(275)
Volunteers Breakroom Project	-	(15)	(15)
ACTS 435 Provision of Grants to Clients	23,314	(22,004)	1,310
Sustainability	-	(663)	(663)
Town Foundation	-	(4,960)	(4,960)
Feeding Families	-	(2,334)	(2,334)
Family Action	2,016	(2,116)	(100)
FOODAID	15,094	(15,094)	-
KMC - Local Welfare Provision	8,719	-	8,719
KMC – Covid Grants	<u>232,566</u>	<u>(211,107)</u>	<u>21,459</u>
	<u>281,709</u>	<u>(260,289)</u>	<u>21,420</u>
TOTAL FUNDS	<u>995,421</u>	<u>(677,998)</u>	<u>317,423</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	127,969	130,738	(22,191)	236,516
Long Term Reserve	89,254	-	19,021	108,275
Designated Funds	14,876	-	3,170	18,046
	232,099	130,738	-	362,837
Restricted funds				
Supported Volunteers Project	14,139	(14,139)	-	-
Provision of Client Budgeting Courses	2,072	(2,072)	-	-
Dugdale Trust	329	(329)	-	-
Premises Expansion	6,583	(1,000)	-	5,583
Renewal of Critical Infrastructure	2,440	(1,719)	-	721
Additional Cold Food Storage Capacity	2,043	(275)	-	1,768
Volunteers Breakroom Project	99	(15)	-	84
ACTS 435 Provision of Grants to Clients	1,122	(1,002)	-	120
Kids Kitchen Club	4,154	-	(4,154)	-
Sustainability	1,697	(1,034)	-	663
Town Foundation	-	4,960	-	4,960
Feeding Families	6,829	1,125	4,154	12,108
Family Action	560	(460)	-	100
Garfield Weston Fund	350	(349)	-	1
KMC - Local Welfare Provision	-	10,000	-	10,000
	42,417	(6,309)	-	36,108
TOTAL FUNDS	<u>274,516</u>	<u>124,429</u>	<u>-</u>	<u>398,945</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. 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	590,592	(459,854)	130,738
Restricted funds			
Supported Volunteers Project	-	(14,139)	(14,139)
Provision of Client Budgeting Courses	-	(2,072)	(2,072)
Dugdale Trust	1,807	(2,136)	(329)
Premises Expansion	-	(1,000)	(1,000)
Renewal of Critical Infrastructure	-	(1,719)	(1,719)
Additional Cold Food Storage Capacity	-	(275)	(275)
Volunteers Breakroom Project	-	(15)	(15)
ACTS 435 Provision of Grants to Clients	21,615	(22,617)	(1,002)
Sustainability	-	(1,034)	(1,034)
Town Foundation	14,501	(9,541)	4,960
Feeding Families	1,126	(1)	1,125
Family Action	12,390	(12,850)	(460)
FOODAID	35,298	(35,298)	-
Garfield Weston Fund	-	(349)	(349)
KMC - Local Welfare Provision	10,000	-	10,000
One Community	<u>1,022</u>	<u>(1,022)</u>	<u>-</u>
	<u>97,759</u>	<u>(104,068)</u>	<u>(6,309)</u>
TOTAL FUNDS	<u><u>688,351</u></u>	<u><u>(563,922)</u></u>	<u><u>124,429</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

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

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	127,969	426,741	(123,072)	431,638
Long Term Reserve	89,254	-	105,491	194,745
Designated Funds	14,876	-	17,581	32,457
	232,099	426,741	-	658,840
Restricted funds				
Supported Volunteers Project	14,139	(14,139)	-	-
Provision of Client Budgeting Courses	2,072	(2,072)	-	-
Dugdale Trust	329	(329)	-	-
Premises Expansion	6,583	(2,000)	-	4,583
Renewal of Critical Infrastructure	2,440	(2,440)	-	-
Additional Cold Food Storage Capacity	2,043	(550)	-	1,493
Volunteers Breakroom Project	99	(30)	-	69
ACTS 435 Provision of Grants to Clients	1,122	308	-	1,430
Kids Kitchen Club	4,154	-	(4,154)	-
Sustainability	1,697	(1,697)	-	-
Feeding Families	6,829	(1,210)	4,154	9,774
Family Action	560	(560)	-	-
Garfield Weston Fund	350	(349)	-	1
KMC - Local Welfare Provision	-	18,719	-	18,719
KMC – Covid Grants	-	21,459	-	21,459
	42,417	15,111	-	57,528
TOTAL FUNDS	<u>274,516</u>	<u>441,852</u>	<u>-</u>	<u>716,368</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2021

17. MOVEMENT IN FUNDS - continued

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	1,304,304	(877,563)	426,741
Restricted funds			
Supported Volunteers Project	-	(14,139)	(14,139)
Provision of Client Budgeting Courses	-	(2,072)	(2,072)
Dugdale Trust	1,807	(2,136)	(329)
Premises Expansion	-	(2,000)	(2,000)
Renewal of Critical Infrastructure	-	(2,440)	(2,440)
Additional Cold Food Storage Capacity	-	(550)	(550)
Volunteers Breakroom Project	-	(30)	(30)
ACTS 435 Provision of Grants to Clients	44,929	(44,621)	308
Sustainability	-	(1,697)	(1,697)
Town Foundation	14,501	(14,501)	-
Feeding Families	1,126	(2,336)	(1,210)
Family Action	14,406	(14,966)	(560)
FOODAID	50,392	(50,392)	-
Garfield Weston Fund	-	(348)	(348)
KMC - Local Welfare Provision	18,719	-	18,719
One Community	1,022	(1,022)	-
KMC – Covid Grants	<u>232,566</u>	<u>(211,107)</u>	<u>21,459</u>
	<u>379,468</u>	<u>(364,357)</u>	<u>15,111</u>
TOTAL FUNDS	<u>1,683,772</u>	<u>(1,241,920)</u>	<u>441,852</u>

The Welcome Centre operates a reserve policy, such that it aims to retain an amount of cash equivalent to six month's core operating costs (excluding the value of donated items) plus an amount equivalent to one month's core operating costs to provide working funds. If the charity could no longer continue to operate, the reserve would be used to allow it to be wound up and to meet potential redundancy and lease term payments.

18. RELATED PARTY DISCLOSURES

During the year ended 31 August 2021, a family member of a Trustee was employed on a temporary basis. Payments totalled £1,638. Approval was given by the Charity Commission prior to payment.