

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022
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 2022**

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THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2022

The trustees present their report with the financial statements of the charity for the year ended 31 August 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

Object of the Charity

The relief of persons suffering from poverty, sickness, disadvantage and the 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 stepping stone 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 has three strategic objectives for the period 2022 – 2025:

- To provide a high quality, flexible service to those experiencing food poverty in our area.
- To provide a first class AGS service to meet the widest range of need.
- To expand and enhance our partnership working.

OBJECTIVES AND ACTIVITIES

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:

- Administration support: book-keeping, data entry, and fundraising administration tasks
- 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
- Phone referrals: taking incoming client referral phone calls from frontline agencies
- Store and fresh: making up client packs of food, toiletries, bedding, etc
- Reception: welcoming clients on arrival and handing over client packs
- Advice, Guidance and Support: providing a listening ear and signposting to clients in reception
- Event support: helping at fundraising events and collections, and giving talks on behalf of The Welcome Centre
- Specialist support: providing specialist advice on all areas including legal matters, health and safety, policy and procedures, and logistics and IT.

We currently have around 120 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 2022

STRATEGIC REPORT

Achievement and performance

Our achievements in 2021-22

The Welcome Centre has continued to provide a high quality food bank service to the growing number of people needing crisis support in south Kirklees. In autumn 2021 as we transitioned away from the Covid-19 pandemic, we reopened our doors to clients, welcoming them back into our building to access face to face support. Alongside this, we also continued to offer the home delivery service we introduced in the pandemic, for clients who find it challenging to visit us in person to collect their packs. We have worked hard in 2021-22 to make sure that the level of support we provide our clients has not been impacted by the ongoing uncertain wider environment we've been operating in, both in terms of Covid-19 and then the cost of living crisis.

In addition to continuing to offer a high standard of support through our food bank, we have expanded and developed our Advice, Guidance and Support (AGS) service, which helps clients transition beyond the food bank. Clients receive listening ear, signposting, and triage support from our AGS volunteers. Staff offer weekly money management drop in sessions, over the phone and face to face budgeting and benefits appointments, and a grant programme to help clients with emergency funding for essentials including utilities and furniture. Through our AGS service we have also developed a range of partnerships with other local organisations to allow our clients to access wider opportunities, including school holiday activities for children and local theatre trips.

We are incredibly proud of The Welcome Centre's achievements in what has proved to be another very challenging year. The demand for our support has continued to rise steadily, against a wider backdrop of uncertain and rapidly changing circumstances. In 2021-22 we transitioned out of our pandemic operating conditions, but very quickly the UK's cost of living crisis emerged. This caused not only further increasing demand for our service, but also challenges in fundraising and procurement. In spite of these challenges, The Welcome Centre was able not only to maintain uninterrupted delivery of its core services, but also continue to grow and develop our offering to clients.

These successes do not belong to The Welcome Centre alone; we would not have been able to achieve what we did in 2021-22 without our external supporters. Individuals, community groups, businesses, and funders were incredibly generous during difficult times, and without their generosity The Welcome Centre would not have been able to offer clients such a high level of consistency and quality.

STATISTICAL OVERVIEW FOR 2021-2022

	September 2021 - August 2022	September 2020 - August 2021	Percentage change
Total Referrals	12,090	10,527	14.8%
Total Number of referring agencies	133	126	5.6%
Total Unique People Helped	5,787	4,666	19.4%
Total Unique Children Helped	2,210	1,651	33.9%
% clients with just one referral	40.7%	43.2%	n/a
% clients with more than 5 referrals	19.1%	19.8%	n/a
Total Pack Count	19,735	16,842	17.2%
Food Pack Count	11,729	10,224	14.7%
Person Food Days	129,022	114,308	12.9%
Meals Provided	361,261.6	320,062.4	12.9%

As can be seen above, The Welcome Centre once again saw an increased output in 2021-2022.

The total number of people helped by The Welcome Centre increased by almost 20%, a significant increase, indicative of the growing levels of poverty in the community in which we serve. Moreover, we have seen a much more significant increase in the total number of children helped, which has increased by a third. This indicates a noteworthy change in the type of households The Welcome Centre supports, with families with children accounting for a greater proportion of our client base in 2021-22.

In 2021-22, we also saw a small decrease in the number of people needing only one referral, suggesting more people are experiencing a longer lasting crisis. These trends are sadly unsurprising, given the national cost of living crisis that emerged in 2021.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2022

Partnership working

The Welcome Centre is proud of its collaborative outlook, and recognises the benefit of learning from and sharing with others in our community and our field. The Welcome Centre continues to actively participate in relevant networks and groups, and to nurture and develop partnerships with other organisations, at a strategic and operational level.

The Welcome Centre is a founding and leading 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. Within Kirklees, The Welcome Centre is also actively involved in the Kirklees Tackling Poverty Partnership and the Kirklees Poverty Action group, both of which bring together council and third sector representatives to work collaboratively on tackling poverty in the borough. The Welcome Centre is also an active member of Feeding West Yorkshire, a collaboration of food network groups from across the county, and part of the national Feeding Britain network. Finally, The Welcome Centre is an active member of the Independent Food Aid Network, a national network of independent emergency food providers.

The Welcome Centre works in partnership with organisations from the public, private and third sector. In 2021-22 we continued to develop existing partnership working with other organisations, including Kirklees Council, Public Health, the Huddersfield Mission, Time Together, the Basement Project and KCALC. We also continued to work with the generous local supermarkets and businesses who donate surplus food to The Welcome Centre. In 2021-22, The Welcome Centre also started working with new partners; some noticeable examples include Colne Valley Help, Huddersfield Giants Community Trust and the Lawrence Batley Theatre.

Through close partnership working with other organisations, The Welcome Centre has been able to broaden and improve the services and support available to clients. In 2021-22, partnership working enabled us not only to continue delivery of our core service in challenging times, but to offer enhanced support and services to those in crisis.

Staff

During 2021-22 The Welcome Centre's small staff team grew; we now have three full time and seven part time staff working across our two sites. We recruited two new roles, a Grants Administrator working in our AGS team and a Driver. We also recruited a new Warehouse Manager, to take over from a departing member of staff, and welcomed back our Chief Executive from a period of maternity leave.

Operations and logistics

The Welcome Centre operates two sites, a warehouse and a building in Huddersfield town centre. Our town centre building is where we take incoming telephone referrals and 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 driver delivers packs to the homes of clients who aren't able to travel to our town Centre premises to collect their packs.

Our warehouse is on the outskirts of Huddersfield town centre, this is 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 2022

Ordinarily, both our sites are open to the public; clients and referrers access our town centre premises, and supporters drop off donations at our warehouse. During the pandemic, we had to close both our sites to the public and introduce new ways of working. In autumn 2021, we reopened our town centre premises to the public, having already reopened the warehouse earlier in the year. Throughout 2021-22, we continued to prioritise the safety of our clients, our supporters and our team, and followed government guidance on Covid-19.

Future Plans and Priorities

Trustees have agreed a new three-year strategic plan for 2022-2025, and laid the groundwork preparations for delivering our year one priorities.

Over the next 3 years we will build upon our strengths, with the continued input and support of our stakeholders, to expand and improve the service we provide and to use our influence to improve the life chances of those we support.

In practical terms this means:

- Improvements to the support we offer, providing greater choice, quality and flexibility to clients delivered in an efficient and sustainable way.
- Expansion of our advice service to support clients at risk of food poverty and food insecurity to make a successful transition to independence
- Expansion of our partnerships and networking to improve our own delivery, to support other organisations in their work and to use our influence to bring about change.

In setting our strategic plan, we have taken into consideration national and regional best practice developments in crisis support provision, and the specifics of the local context in which we operate.

Our Strategic Priorities for 2022 – 2025 are:

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

This service will:

- guarantee high quality provision which meet the needs and preferences of clients
- boost the dignity, self-esteem and independence of clients by means of offering greater choice and flexibility
- offer place-based support to those in crisis, in food insecurity, or transitioning out of food poverty
- develop across all areas of South Kirklees where there is unmet need.

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 and support to clients that are:
 - in crisis
 - in food insecurity and at risk of falling into food poverty
 - transitioning out of poverty.

To expand and enhance our partnership working

- to improve the quality and range of our service
- to support the work of other organisations
- to actively engage in awareness raising, campaigning and lobbying to bring about change in social provision in the UK

Financial review

Financial position

The Welcome Centre's financial position at the end of the 2021-22 year remains healthy, after a year in which we continued to see a high level of activity. 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 decreased by 8% due to a reduction in donations, which were exceptionally high in 2020-21 as our

supporters responded to the impact of Covid on our operations. We have again seen a significant increase in grants to support our advice work (up by 36% on the previous year), mainly due to assistance provided to us from Kirklees Council's Household Support Fund.

Our services have once again seen a large increase in demand, resulting in a 36% increase in expenditure. The cash flow improved by £10k in the year, despite an operating deficit, due to improved management of working capital. Our year end cash position increased to £698k. Restricted and designated funds amount to £258k, leaving a general cash reserve of £440k, compared to £409k in August 2021.

Due to the expected cost of living crisis, we expect to see a 40% increase in demand for our services in 2022-23. This will result in a considerable reduction in the general cash reserve. We also plan to make some changes to way of operating, that will require some investment.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2022**

STRATEGIC REPORT

Financial review

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 (6% of total income).
3. Restricted grants to fund projects, support roles, or activities within The Welcome Centre (36% of total income).
4. Capacity building support from Kirklees Council Local Welfare Team (4% of total income).
5. Fundraising events organised by staff, volunteers and supporters (3% 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 Household Support grants received from Kirklees Councils (£241k) that we received.

Principal Costs and Expenses

The Welcome Centre's costs and expenses fall into four major categories, as described below:

1. Goods distributed to clients, which is our most significant cost, representing 46% of total income. Around 42% 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 and a 17% increase in demand.
2. Employment costs relate to salary and pension costs of our 7 staff. At 26% of total income, this is our second most significant cost.
3. Accommodation costs cover the rent and upkeep of two premises and represents 7% 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 16% 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 7% of income.

Restricted Funding

The Welcome Centre has been fortunate again this year to receive several grants and donations totalling £309,579 to support specific projects or restricted activities. This funding was focussed on four main areas:

1. Donations to purchase food and other goods for distribution (£6,300)
 2. Targeted support for specific purchases made on behalf of our clients (£23,883)
 3. Household Support grants from Kirklees Council which were used to purchase food, or provide targeted support for our clients (£240,942)
- Lottery funding to assist with the development of our advice, guidance and support activities (£38,454)

Capital Expenditure

In 2021/22 zero was spent on fixed asset additions, as our expansion plans were put on hold due to the ongoing issues relating to Covid.

The budget for 2022/23 includes around £98,000 of capital expenditure, to cover further improvements in Lord Street and our warehouse to support the ever increasing demand for our services.

Reserves policy

A review of the reserves policy identified that it was appropriate to move to a risk-based approach focusing on the resilience of key income streams and the commitment levels of charitable activity expenditure. The Trustees understand that unrestricted free reserves are not intended to cover a permanent loss of funds but to maintain service delivery through a period when income is reduced, or demand is increased. Our approach excludes any fixed assets, designated funds and restricted expenditure.

We propose that reserves are calculated as two months of food pack provision, plus three months of operating expenditure (excluding the value of goods for distribution and depreciation), plus other longer-term commitments. This would allow

a period of adjustment to allow the charity to respond to a permanent change in financial situation e.g. reduced income, or period to allow a transition to alternative arrangements for our beneficiaries, staff and volunteers.

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. Project teams are used involving trustees, staff and volunteers to work on and deliver specific projects

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, 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 2022 no trustees reached the end of their term of office or resigned, and no 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.

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Related party transactions are reported in the notes to the financial statements..

THE WELCOME CENTRE (HUDDERSFIELD)

**REPORT OF THE TRUSTEES
for the year ended 31 August 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1151282

Registered office

15 Lord Street
Huddersfield
HD1 1QB

Trustees

J Watson	Chair
J S Ainley	Secretary
R W Whiteley	Treasurer
Y Harding	
A M Tomlinson	
J F Norman	
K Siddique	
H Filloux-Bennett	
E R Smith	
G D J Bruce	

Secretary

J S Ainley

Independent Examiner

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

Approved by the Board of Trustees on 24th October 2022 and signed on the board's 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 2022.

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 2011 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 the accounts set out in the Charities (Accounts and Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

THE WELCOME CENTRE (HUDDERSFIELD)

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	526,170	13,245	539,415	609,895
Charitable activities					
Support services and food packs		52,184	296,334	348,518	376,812
Other trading activities	3	24,602	-	24,602	8,714
Investment income	4	<u>731</u>	<u>-</u>	<u>731</u>	<u>-</u>
Total		<u>603,687</u>	<u>309,579</u>	<u>913,266</u>	<u>995,421</u>
EXPENDITURE ON					
Charitable activities					
Support services and food packs	6	579,767	345,366	925,133	677,998
NET INCOME/(EXPENDITURE)		23,920	(35,787)	(11,867)	317,423
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>658,840</u>	<u>57,528</u>	<u>716,368</u>	<u>398,945</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>682,760</u></u>	<u><u>21,741</u></u>	<u><u>704,501</u></u>	<u><u>716,368</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

BALANCE SHEET

31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	2,814	4,801	7,615	10,136
CURRENT ASSETS					
Stocks	13	19,506	-	19,506	28,050
Debtors	14	23,544	-	23,544	13,112
Cash at bank and in hand		<u>680,841</u>	<u>16,940</u>	<u>697,781</u>	<u>687,695</u>
		723,891	16,940	740,831	728,857
CREDITORS					
Amounts falling due within one year	15	(43,945)	-	(43,945)	(22,625)
NET CURRENT ASSETS		<u>679,946</u>	<u>16,940</u>	<u>696,886</u>	<u>706,232</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>682,760</u>	<u>21,741</u>	<u>704,501</u>	<u>716,368</u>
NET ASSETS		<u><u>682,760</u></u>	<u><u>21,741</u></u>	<u><u>704,501</u></u>	<u><u>716,368</u></u>
FUNDS	16				
Unrestricted funds:					
General fund				441,454	431,638
Long Term Reserve				241,306	194,745
Designated Funds				-	<u>32,457</u>
				<u>682,760</u>	<u>658,840</u>
Restricted funds:					
Premises Expansion				3,583	4,583
Additional Cold Food Storage Capacity				1,218	1,493
Volunteers Breakroom Project				-	69
ACTS 435 Provision of Grants to Clients				-	1,430
Feeding Families				7,614	9,774
Garfield Weston Fund				-	1
KMC - Local Welfare Provision				1,024	18,719
KMC Covid Grants				-	21,459
Surviving Winter for the over 60s				3,472	-
The Neighbourly Foundation				<u>4,830</u>	-
				<u>21,741</u>	<u>57,528</u>
TOTAL FUNDS				<u><u>704,501</u></u>	<u><u>716,368</u></u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

BALANCE SHEET - continued

31 August 2022

The financial statements were approved by the Board of Trustees and authorised for issue on
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 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>9,355</u>	<u>351,749</u>
Net cash provided by operating activities		<u>9,355</u>	<u>351,749</u>
Cash flows from investing activities			
Interest received		<u>731</u>	<u>-</u>
Net cash provided by investing activities		<u>731</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		10,086	351,749
Cash and cash equivalents at the beginning of the reporting period		<u>687,695</u>	<u>335,946</u>
Cash and cash equivalents at the end of the reporting period		<u><u>697,781</u></u>	<u><u>687,695</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 2022**

**1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(11,867)	317,423
Adjustments for:		
Depreciation charges	2,521	3,435
Interest received	(731)	-
Decrease in stocks	8,544	10,858
(Increase)/decrease in debtors	(10,432)	13,842
Increase in creditors	<u>21,320</u>	<u>6,191</u>
Net cash provided by operations	<u><u>9,355</u></u>	<u><u>351,749</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	<u>687,695</u>	<u>10,086</u>	<u>697,781</u>
	<u>687,695</u>	<u>10,086</u>	<u>697,781</u>
Total	<u><u>687,695</u></u>	<u><u>10,086</u></u>	<u><u>697,781</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2001. 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.

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.

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.

THE WELCOME CENTRE (HUDDERSFIELD)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and gifts	421,420	456,188
Gift aid	47,575	50,938
Client support payments	11,245	34,050
Corporate sponsorship	<u>59,175</u>	<u>68,719</u>
	<u>539,415</u>	<u>609,895</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising activities	<u>24,602</u>	<u>8,714</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>731</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Grants	Support services and food packs	<u>348,518</u>	<u>376,812</u>

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

	2022	2021
	£	£
Kirklees Capacity Building	34,384	103,152
One Community Foundation	7,638	20,000
Howitt Homeless Trust	300	-
William Brooke Benevolent Fund	15,000	15,000
Third Sector Leaders	1,100	-
FV & E Brook Charitable Trust	2,500	-
Groundwork UK	1,500	1,000
Co-op Community Fund	-	3,694
GSB Christian Trust	-	1,000
The Neighbourly Foundation	6,700	400
Lottery Grant	38,454	-
LWP Support Fund	240,942	-
Kirklees Covid Grants	<u>-</u>	<u>232,566</u>
	<u>348,518</u>	<u>376,812</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

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>765,313</u>	<u>145,275</u>	<u>14,545</u>	<u>925,133</u>

7. GRANTS PAYABLE

	2022 £	2021 £
Support services and food packs	<u>145,275</u>	<u>128,617</u>

8. SUPPORT COSTS

	Governance costs £
Support services and food packs	<u>14,545</u>

Support costs, included in the above, are as follows:

	2022 £	2021 £
Independent examination fees	1,174	920
Professional fees	<u>13,371</u>	<u>1,152</u>
	<u>14,545</u>	<u>2,072</u>

9. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	<u>2,521</u>	<u>3,435</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**10. TRUSTEES' REMUNERATION AND BENEFITS**

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

Trustees' expenses

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

11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	<u>233,328</u>	<u>153,191</u>
	<u>233,328</u>	<u>153,191</u>

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

	2022	2021
Support staff - Full time equivalent	<u>7</u>	<u>6</u>

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

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2021 and 31 August 2022	<u>3,559</u>	<u>24,658</u>	<u>27,277</u>	<u>55,494</u>
DEPRECIATION				
At 1 September 2021	3,559	14,522	27,277	45,358
Charge for year	<u>-</u>	<u>2,521</u>	<u>-</u>	<u>2,521</u>
At 31 August 2022	<u>3,559</u>	<u>17,043</u>	<u>27,277</u>	<u>47,879</u>
NET BOOK VALUE				
At 31 August 2022	<u>-</u>	<u>7,615</u>	<u>-</u>	<u>7,615</u>
At 31 August 2021	<u>-</u>	<u>10,136</u>	<u>-</u>	<u>10,136</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

13. STOCKS

	2022	2021
	£	£
Stocks	<u>19,506</u>	<u>28,050</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	3,100	-
Prepayments	<u>20,444</u>	<u>13,112</u>
	<u>23,544</u>	<u>13,112</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	24,556	2,786
Social security and other taxes	11,790	-
Accruals and deferred income	<u>7,599</u>	<u>19,839</u>
	<u>43,945</u>	<u>22,625</u>

16. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	Transfers between funds	At 31.8.22
	£	£	£	£
Unrestricted funds				
General fund	431,638	23,920	(14,104)	441,454
Long Term Reserve	194,745	-	46,561	241,306
Designated Funds	<u>32,457</u>	<u>-</u>	<u>(32,457)</u>	<u>-</u>
	658,840	23,920	-	682,760
Restricted funds				
Premises Expansion	4,583	(1,000)	-	3,583
Additional Cold Food Storage Capacity	1,493	(275)	-	1,218
Volunteers Breakroom Project	69	(69)	-	-
ACTS 435 Provision of Grants to Clients	1,430	(1,430)	-	-
Feeding Families	9,774	(2,160)	-	7,614
Garfield Weston Fund	1	(1)	-	-
KMC - Local Welfare Provision	18,719	(39,154)	21,459	1,024
KMC Covid Grants	21,459	-	(21,459)	-
Surviving Winter for the over 60s	-	3,472	-	3,472
The Neighbourly Foundation	<u>-</u>	<u>4,830</u>	<u>-</u>	<u>4,830</u>
	<u>57,528</u>	<u>(35,787)</u>	<u>-</u>	<u>21,741</u>
TOTAL FUNDS	<u>716,368</u>	<u>(11,867)</u>	<u>-</u>	<u>704,501</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

16. 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	603,687	(579,767)	23,920
Restricted funds			
Premises Expansion	-	(1,000)	(1,000)
Additional Cold Food Storage Capacity	-	(275)	(275)
Volunteers Breakroom Project	-	(69)	(69)
ACTS 435 Provision of Grants to Clients	11,245	(12,675)	(1,430)
Feeding Families	-	(2,160)	(2,160)
FOODAID	4,700	(4,700)	-
Garfield Weston Fund	-	(1)	(1)
KMC - Local Welfare Provision	-	(39,154)	(39,154)
Surviving Winter for the over 60s	7,638	(4,166)	3,472
The Neighbourly Foundation	5,000	(170)	4,830
Lottery Fund	38,454	(38,454)	-
LWP Support Fund	240,942	(240,942)	-
Groundwork	500	(500)	-
Third Sector Leaders	<u>1,100</u>	<u>(1,100)</u>	<u>-</u>
	<u>309,579</u>	<u>(345,366)</u>	<u>(35,787)</u>
TOTAL FUNDS	<u>913,266</u>	<u>(925,133)</u>	<u>(11,867)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for 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><u>398,945</u></u>	<u><u>317,423</u></u>	<u><u>-</u></u>	<u><u>716,368</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2022**16. 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	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>

17. RELATED PARTY DISCLOSURES

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

THE WELCOME CENTRE (HUDDERSFIELD)**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and gifts	421,420	456,188
Gift aid	47,575	50,938
Client support payments	11,245	34,050
Corporate sponsorship	<u>59,175</u>	<u>68,719</u>
	539,415	609,895
Other trading activities		
Fundraising activities	24,602	8,714
Investment income		
Deposit account interest	731	-
Charitable activities		
Grants	<u>348,518</u>	<u>376,812</u>
Total incoming resources	913,266	995,421
EXPENDITURE		
Charitable activities		
Wages	233,328	153,191
Accommodation costs	66,117	48,318
Insurance	1,688	943
Telephone	21,893	24,809
Office supplies	4,743	7,063
Publicity materials	2,987	1,785
Goods for distribution	417,665	296,253
Sundries	5,627	9,124
Volunteer expenses	5,317	1,884
Volunteer development	3,427	504
Depreciation of fixtures and fittings	2,521	2,467
Depreciation of computer equipment	-	968
Grants to individuals	<u>145,275</u>	<u>128,617</u>
	910,588	675,926
Support costs		
Governance costs		
Accountancy fees	1,174	920
Professional fees	<u>13,371</u>	<u>1,152</u>
	14,545	2,072

This page does not form part of the statutory financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2022

	2022 £	2021 £
Total resources expended	<u>925,133</u>	<u>677,998</u>
Net (expenditure)/income	<u><u>(11,867)</u></u>	<u><u>317,423</u></u>

This page does not form part of the statutory financial statements