

Charity Registration No. 1165627

PURPOSE OF LIFE TRUSTEES'
REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 MARCH 2023

PURPOSE OF LIFE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M S Hussain Dr M I HussainY Seedat Dr A Ahmed K Ali Q Abass
Charity number	1165627
Auditors	Primera Accountants Limited Spitalfields House Stirling Way Borehamwood WD6 2FX
Registered Office	497 Bradford RoadBatley WF17 8LL
Bankers	Lloyds Bank Plc 75 Commercial StreetBatley WF17 5EQ

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TRUSTEES'REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and accounts for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "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).

Structure governance and management

The Trust Fund is governed by a Trust Deed and is registered charity number 1165627.

The Trustees who served during the year were:

M S Hussain
Dr M I Hussain
Yahya Seedat
Dr A Ahmed
K Ali
Q Abass

The Trustees have assessed the major risks to which the Purpose of Life is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The Purpose of Life's objects are to advance in life and help young people of all races and backgrounds whilst being particularly sensitive to the needs of ethnic minority communities, through:

(a) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals"

(b) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life

(c) advancing education

(d) supporting causes that directly help, nurture or develop young people

2. To advance education for the public benefit, in particular for children and young people in the UK or overseas

3. The prevention or relief of poverty in the UK or overseas by providing grants, items, support and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty

Achievements and performance

During the year the charity received donations of £1,313,160 (£992,380) and total resources expended of £1,284,400 (2022: £1,023,845), net incoming resources for the year amounted to £28,760..

The trustees expect the Trust to continue to run in a similar way going forward, subject to the level of donation income received.

The trustees are satisfied with the financial results of the charity for the year.

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TRUSTEES'REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH

Financial review

A summary of the Charity's transactions and of its financial position is shown in the financial statements together with the accompanying notes. At the year end, the charity's unrestricted reserves amounted to £107,245 and restricted reserves amounted to £2,309.

It is the policy of the Purpose of Life that **100% of donations are used for charitable purposes which has been successfully maintained throughout the year** and unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six-month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Purpose of Life's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Risk assessments are carried out in order to ascertain the likelihood of a risk event occurring, of its potential impact, and whether any cost effective mitigating action may be taken. Potential risks have been identified and are reviewed on a regular basis.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Going Concern

The Trustees believe the charity has no going concern issues and will continue to evaluate the situation on an ongoing basis.

Auditor

In accordance with the Charities Act 2011, a resolution proposing that Primera Accountants Limited be reappointed as auditor of the Charity will be put at the General meeting.

On behalf of the board of Trustees

M S Hussain

Trustee

Dated: 31 January 2024

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees of Purpose of Life are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Purpose of Life and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Purpose of Life will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Purpose of Life. They are also responsible for safeguarding the assets of the Purpose of Life and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PURPOSE OF LIFE

Opinion

We have audited the financial statements of Purpose of Life (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), together with Charities SORP (FRS 102).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

Conclusion 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PURPOSE OF LIFE

Matters on which we are required to report exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the Financial Statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. The laws and regulations we considered in this context was the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud. The laws and regulations we considered in this context were employment legislation, health & safety legislation and General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any

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INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF PURPOSE OF LIFE

We identified the greatest risk of material impact on the Financial Statements from irregularities, including fraud, to be within the recognition of donations income, the assessment of capital vs revenue expenditure, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, analytical procedures and sample testing of income, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity'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 Charity's Trustees those matters we are required to state to them in an auditor's 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 Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Primera Accountants Limited
Chartered Accountants
Statutory Auditor
1st floor Spitalfields House
Stirling Way
Borehamwood
WD6 2FX

31 January 2024

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Incoming resources from generated funds</u>					
Incoming resources from charitable activities	2	225,757	1,087,403	1,313,160	992,380
Total incoming resources		225,757	1,077,403	1,313,160	992,380
<u>Resources expended</u>					
Charitable activities	3				
Cost of charitable activities		113,543	1,021,892	1,135,435	921,461
Governance costs		14,897	134,068	148,965	102,384
Total resources expended		128,440	1,155,960	1,284,400	1,023,845
Net income/(expenditure) for the period/ Net movement in funds		97,317	(68,557)	28,760	(31,465)
Fund balances at 1 April 2022		9,928	70,866	80,794	112,259
Fund balances at 31 March 2023		107,245	2,309	109,554	80,794

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BALANCE SHEET

AS AT 31 MARCH 2023

	Note	2023 £	£	2022 £	£
Current assets					
Cash at bank and in hand		109,554		80,794	
		<u>109,554</u>		<u>80,794</u>	
Net current assets			<u>109,554</u>		<u>80,794</u>
Total assets less current liabilities			<u>109,554</u>		<u>80,794</u>
Income funds					
Restricted funds			2,309		70,866
Unrestricted funds	6		<u>107,245</u>		<u>9,928</u>
			<u>109,554</u>		<u>80,794</u>

The accounts were approved by the Trustees on 31 January 2024

M S Hussain
Trustee

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the trust's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The trust is a Public Benefit Entity as defined by FRS 102.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2. Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and Gift Aid received	225,757	1,087,403	1,313,160	992,380

3. Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2023 £	Total 2022 £
Charitable activities					
<u>Cost of charitable activities</u>					
Activities undertaken directly	-	-	1,135,435	1,135,435	921,461
Governance costs	-	-	148,965	148,965	102,384
	-	-	1,284,400	1,284,400	1,023,845

4. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

5. Employees

Number of employees

The average monthly number of volunteers and employees during the year was

	2023 Number	2022 Number
Volunteers	40	90
Employees	-	-
	2023 £	2022 £
Employment costs		
Wages and salaries	-	-

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by			
Current assets	107,245	2,309	109,554
	<u>107,245</u>	<u>2,309</u>	<u>109,554</u>

The restricted funds are held for specific purposes as specified by the donor.