

**Report of the Trustees and  
Unaudited Financial Statements  
for the Year Ended 5 April 2024  
for  
Malachi Community Trust**

Locke Williams Associates LLP  
Chartered Accountants  
c/o Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

# **Malachi Community Trust**

## **Contents of the Financial Statements for the Year Ended 5 April 2024**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 3
<b>Independent Examiner's Report</b>	4
<b>Statement of Financial Activities</b>	5
<b>Balance Sheet</b>	6
<b>Notes to the Financial Statements</b>	7 to 13

**Malachi Community Trust**  
**Report of the Trustees**  
**for the Year Ended 5 April 2024**

The trustees present their report with the financial statements of the charity for the year ended 5 April 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

#### **Background**

Malachi Trust was founded in 1992 to offer support and give advocacy to children affected by family breakdown and the Trustees remain committed and dedicated not only to working on behalf of its clients, but also to continuing to build on its reputation of being at the forefront of innovation and service improvement.

The founders of the Trust Gordon and Lyn Lee, having learned from their community work background that in a growing number of schools there were growing numbers of children whose life chances were being affected by a disturbed family experience, committed themselves to acting on their behalf. The Trustees continue to uphold that commitment and dedication.

#### **Objectives**

The objects of the charity are

1. The relief of children and young people who are suffering from conditions of poverty, deprivation, hardship and distress, particularly but not exclusively through the provision of workshops, counselling, information, teaching and advice and to provide support services to their families as the Trustees think fit
2. To advance and promote the spiritual and moral development of children and young people and development of family life values and to stimulate public awareness in the areas of social concern particularly using teachings, drama, music and the performing arts

#### **Public benefit**

The Trustees have complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission including public benefit guidance.

## **ACHIEVEMENT AND PERFORMANCE**

### **Significant activities and Charitable Activities**

I am pleased to be able to report continued positive progress in this, the thirty-second year of the life of Malachi Community Trust CIO.

We are pleased that our vision for multi-agency partnership working is now embraced by the newly elected Labour administration and that our multi-agency HUB model is recognised as visionary and highly relevant to both central and local government strategy.

We were particularly pleased to welcome the newly elected Labour MP to our HUB who took a keen interest in all that we were doing in support of all local residents.

In line with our commitment to 'helping users of service to become providers of service' our local resident workforce, 'Billesley ARK Volunteers' have continued to grow and develop. We continue with our ambition to develop further such Family Centres.

Our representation on the Lords & Commons Family & Child Protection Group continues to be recognised as valuable and highly relevant to its objective of promoting 'best-value' services to children and young people.

**Malachi Community Trust**  
**Report of the Trustees**  
**for the Year Ended 5 April 2024**

**ACHIEVEMENT AND PERFORMANCE**

**Achievements and Performance**

**Billesley HUB**

- Our building, Billesley ARK, continues to be the head office for the delivery of the Government's Early Help programme in Birmingham and Staffordshire.
- Our volunteer led management group, 'Billesley ARK Volunteers', continues to grow and flourish in line with our commitment to helping local people to take an increasing role in their own community. The number of volunteers continues to increase.
- Regular activities continue to be provided to people of all ages.

**FINANCIAL REVIEW**

**Reserves policy**

The Trust currently holds reserves of £541,194 comprising restricted fund reserves of £186,227 and general funds of £354,967. Of these general funds, £70,376 is currently invested in fixed assets, leaving free reserves of £284,591.

These funds will be utilised to invest wherever necessary to protect and develop services. Consideration will be given to use funds to carry out feasibility studies and research in circumstances where the Trustees are unable to secure funds from other sources either grant aid or loan.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**FUTURE PLANS**

MCT CIO remains committed to developing its vision and continues to seek further opportunities to develop the model in schools and communities in our reach area.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Malachi Community Trust is a foundation Charitable Incorporated Organisation, registered with the Charity Commission on 23 June 2016.

**Recruitment and appointment of new trustees**

The trust document provides for a board of trustees to be elected, with officers comprising Chairman, Treasurer and Secretary. Any person is allowed to be nominated and the existing board is charged with accepting or rejecting such nomination by a simple majority. The election of officers takes place each year at an annual general meeting which is an open meeting.

**Organisational structure**

The board of trustees, which can have up to ten members, administers the charity. The board meets periodically and sub committees are raised when appropriate to deal with finance, human resources and general resourcing.

**Induction and training of new trustees**

New trustees are currently given a full briefing on the operations and methodology of the trust, along with relevant documents including the trust deed and the previous year's trustee meeting minutes. Trustees are encouraged to attend appropriate external training events where these will facilitate their undertaking of the role.

**Malachi Community Trust**  
**Report of the Trustees**  
**for the Year Ended 5 April 2024**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have an risk management strategy which comprises:

- Annual risk reviews
- Development of systems and mitigation strategy for the risks identified above
- Implementation of such strategy

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1167817

**Principal address**

Billesley Ark  
725 Yardley Wood Road  
Birmingham  
West Midlands  
B13 0PT

**Trustees**

K I Bagby  
G Lee  
S Jobson

**Independent Examiner**

Locke Williams Associates LLP  
Chartered Accountants  
c/o Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

Approved by order of the board of trustees on 20/11/2024

and signed on its behalf by:

  
GJLee (Nov 20, 2024 14:03 GMT)

G Lee - Trustee

**Independent Examiner's Report to the Trustees of  
Malachi Community Trust**

**Independent examiner's report to the trustees of Malachi Community Trust**

I report to the charity trustees on my examination of the accounts of Malachi Community Trust (the Trust) for the year ended 5 April 2024.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the Trust 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.



David Williams FCA FCCA

Locke Williams Associates LLP  
Chartered Accountants  
c/o Blackthorn House  
St Pauls Square  
Birmingham  
West Midlands  
B3 1RL

Date: 20/11/2024

**Malachi Community Trust**

**Statement of Financial Activities  
for the Year Ended 5 April 2024**

	Notes	Unrestricted funds £	Restricted funds £	<b>5.4.24 Total funds £</b>	5.4.23 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	<b>63,932</b>	-	<b>63,932</b>	53,201
Investment income	3	<u><b>5,086</b></u>	<u>-</u>	<u><b>5,086</b></u>	<u>(584)</u>
<b>Total</b>		<u><b>69,018</b></u>	<u>-</u>	<u><b>69,018</b></u>	<u>52,617</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Billesley Ark		<b>50,821</b>	<b>6,352</b>	<b>57,173</b>	47,487
Malcolm Locker		<b>642</b>	-	<b>642</b>	(152)
Selly Oak children and family		<u>-</u>	<u>-</u>	<u>-</u>	<u>58,295</u>
<b>Total</b>		<u><b>51,463</b></u>	<u><b>6,352</b></u>	<u><b>57,815</b></u>	<u>105,630</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>17,555</b>	<b>(6,352)</b>	<b>11,203</b>	(53,013)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u><b>354,967</b></u>	<u><b>186,227</b></u>	<u><b>541,194</b></u>	<u>594,207</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>372,522</b></u>	<u><b>179,875</b></u>	<u><b>552,397</b></u>	<u><b>541,194</b></u>

The notes form part of these financial statements

# Malachi Community Trust

## Balance Sheet 5 April 2024

	Notes	Unrestricted funds £	Restricted funds £	5.4.24 Total funds £	5.4.23 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	8	57,658	179,344	237,002	256,062
Investments	9	<u>9</u>	<u>-</u>	<u>9</u>	<u>9</u>
		57,667	179,344	237,011	256,071
<b>CURRENT ASSETS</b>					
Debtors	10	863	-	863	2,031
Cash at bank and in hand		<u>316,305</u>	<u>531</u>	<u>316,836</u>	<u>286,532</u>
		317,168	531	317,699	288,563
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>(2,313)</u>	<u>-</u>	<u>(2,313)</u>	<u>(3,440)</u>
<b>NET CURRENT ASSETS</b>		<u>314,855</u>	<u>531</u>	<u>315,386</u>	<u>285,123</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>372,522</u>	<u>179,875</u>	<u>552,397</u>	<u>541,194</u>
<b>NET ASSETS</b>		<u>372,522</u>	<u>179,875</u>	<u>552,397</u>	<u>541,194</u>
<b>FUNDS</b>	12				
Unrestricted funds				372,522	354,967
Restricted funds				<u>179,875</u>	<u>186,227</u>
<b>TOTAL FUNDS</b>				<u>552,397</u>	<u>541,194</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20/11/2024 and were signed on its behalf by:

GJLee  
GJLee (Nov 20, 2024 14:03 GMT)

G Lee - Trustee



## Malachi Community Trust

### Notes to the Financial Statements for the Year Ended 5 April 2024

#### 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 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

##### **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.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The charity receives grants in respect of its direct charitable activities. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Contractual income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as bank deposits and property. It includes interest and rent. Interest income is recognised on receipt and rent income is recognised as the charity's right to receive payment is established.

##### **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.

Expenditure on charitable activities includes staff costs, premises and depreciation costs directly attributable to the furtherance of the charities objects.

Support costs include all other indirect costs, incurred in the management and administration of the charity in pursuing its charitable objectives. Also included in support costs are governance costs, being those costs attributable to the administration of the charity as a whole.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

##### **Tangible fixed assets**

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

Improvements to property	- Straight line over 25 years
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost

# Malachi Community Trust

## Notes to the Financial Statements - continued for the Year Ended 5 April 2024

### 1. ACCOUNTING POLICIES - continued

#### Tangible fixed assets

Individual assets or groups of assets costing more than £1,000 are capitalised unless the expected useful life is less than two years.

#### Investments

Investments in ordinary, unlisted shares are measured at cost less impairment.

#### Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 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.

#### Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### 2. DONATIONS AND LEGACIES

	5.4.24	5.4.23
	£	£
Donations - general	115	1,115
Donated profits - MSFSS CIC	-	27,000
Donated profits - BAV CIC	2,453	25,086
Grants	<u>61,364</u>	<u>-</u>
	<u>63,932</u>	<u>53,201</u>

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

	5.4.24	5.4.23
	£	£
BVSC - Selly Oak constituency	<u>61,364</u>	<u>-</u>

# Malachi Community Trust

## Notes to the Financial Statements - continued for the Year Ended 5 April 2024

### 3. INVESTMENT INCOME

	5.4.24	5.4.23
	£	£
Rental, room hire and recharge of utilities	-	(1,033)
Deposit account interest	<u>5,086</u>	<u>449</u>
	<u>5,086</u>	<u>(584)</u>

### 4. SUPPORT COSTS

	Management costs	Governance costs	Totals
	£	£	£
Billesley Ark	<u>306</u>	<u>2,040</u>	<u>2,346</u>

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

	5.4.24	5.4.23
	Billesley Ark	Total activities
	£	£
Sundries	306	1,767
Auditors' remuneration	-	2,880
Accountancy	<u>2,040</u>	<u>180</u>
	<u>2,346</u>	<u>4,827</u>

### 5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2024 nor for the year ended 5 April 2023.

### 6. STAFF COSTS

	5.4.24	5.4.23
	£	£
Wages and salaries	5,370	49,809
Social security costs	436	5,073
Other pension costs	<u>114</u>	<u>815</u>
	<u>5,920</u>	<u>55,697</u>

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

5.4.24	5.4.23
--------	--------

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

**Malachi Community Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 5 April 2024**

**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	53,201	-	53,201
Investment income	<u>(584)</u>	<u>-</u>	<u>(584)</u>
<b>Total</b>	<u>52,617</u>	<u>-</u>	<u>52,617</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Billesley Ark	28,291	19,196	47,487
Malcolm Locker	(152)	-	(152)
Selly Oak children and family	<u>58,295</u>	<u>-</u>	<u>58,295</u>
<b>Total</b>	<u>86,434</u>	<u>19,196</u>	<u>105,630</u>
<b>NET INCOME/(EXPENDITURE)</b>	(33,817)	(19,196)	(53,013)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	388,784	205,423	594,207
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>354,967</u>	<u>186,227</u>	<u>541,194</u>

**8. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 6 April 2023 and 5 April 2024	<u>453,707</u>	<u>46,198</u>	<u>38,260</u>	<u>538,165</u>
<b>DEPRECIATION</b>				
At 6 April 2023	197,875	46,198	38,030	282,103
Charge for year	<u>19,060</u>	<u>-</u>	<u>-</u>	<u>19,060</u>
At 5 April 2024	<u>216,935</u>	<u>46,198</u>	<u>38,030</u>	<u>301,163</u>
<b>NET BOOK VALUE</b>				
At 5 April 2024	<u>236,772</u>	<u>-</u>	<u>230</u>	<u>237,002</u>
At 5 April 2023	<u>255,832</u>	<u>-</u>	<u>230</u>	<u>256,062</u>

All assets are used in direct furtherance of the charity's objects.

# Malachi Community Trust

## Notes to the Financial Statements - continued for the Year Ended 5 April 2024

### 9. FIXED ASSET INVESTMENTS

	Unlisted investments £
<b>MARKET VALUE</b>	
At 6 April 2023 and 5 April 2024	<u>9</u>
<b>NET BOOK VALUE</b>	
At 5 April 2024	<u>9</u>
At 5 April 2023	<u>9</u>

There were no investment assets outside the UK.

Included within other investments is a 9% holding in the ordinary share capital of Malachi Specialist Family Support Services CIC, a company incorporated in England. At the year end, the aggregate capital and reserves of the company amounted to £178,721 and a profit for the year amounted to £14,929.

### 10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.24 £	5.4.23 £
Trade debtors	722	722
Prepayments and accrued income	<u>141</u>	<u>1,309</u>
	<u>863</u>	<u>2,031</u>

### 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.24 £	5.4.23 £
Trade creditors	513	-
Other creditors	-	560
Accruals and deferred income	<u>1,800</u>	<u>2,880</u>
	<u>2,313</u>	<u>3,440</u>

### 12. MOVEMENT IN FUNDS

	At 6.4.23 £	Net movement in funds £	At 5.4.24 £
<b>Unrestricted funds</b>			
General fund	263,931	32,169	296,100
Designated building fund	<u>91,036</u>	<u>(14,614)</u>	<u>76,422</u>
	354,967	17,555	372,522
<b>Restricted funds</b>			
The Big Lottery Fund	<u>186,227</u>	<u>(6,352)</u>	<u>179,875</u>
<b>TOTAL FUNDS</b>	<u>541,194</u>	<u>11,203</u>	<u>552,397</u>

**Malachi Community Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 5 April 2024**

**12. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	66,565	(34,396)	32,169
Designated building fund	<u>2,453</u>	<u>(17,067)</u>	<u>(14,614)</u>
	69,018	(51,463)	17,555
<b>Restricted funds</b>			
The Big Lottery Fund	-	(6,352)	(6,352)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>69,018</u>	<u>(57,815)</u>	<u>11,203</u>

**Comparatives for movement in funds**

	At 6.4.22 £	Net movement in funds £	Transfers between funds £	At 5.4.23 £
<b>Unrestricted funds</b>				
General fund	349,834	(33,817)	(52,086)	263,931
Designated building fund	<u>38,950</u>	<u>-</u>	<u>52,086</u>	<u>91,036</u>
	388,784	(33,817)	-	354,967
<b>Restricted funds</b>				
The Big Lottery Fund	205,423	(19,196)	-	186,227
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>594,207</u>	<u>(53,013)</u>	<u>-</u>	<u>541,194</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	52,617	(86,434)	(33,817)
<b>Restricted funds</b>			
The Big Lottery Fund	-	(19,196)	(19,196)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>52,617</u>	<u>(105,630)</u>	<u>(53,013)</u>

## Malachi Community Trust

### Notes to the Financial Statements - continued for the Year Ended 5 April 2024

#### 12. MOVEMENT IN FUNDS - continued

**Unrestricted funds** comprise those funds which the trustees are free to use in accordance with charitable objectives. Although certain grants are received in order to enable the charity to meet its objectives, these funds are considered to be unrestricted as they form part of the ongoing, fundamental activities of the charity.

**Designated funds** comprise those unrestricted funds which the trustees have set aside for a specific future purpose and therefore do not form part of the currently available free reserves.

**Restricted funds** are funds which have been given for particular purposes and projects. Grants made by The Big Lottery Fund for the Reaching Community Buildings Grant have been expended on items of a capital nature and the balance on the fund represents their net book value in the accounts at the balance sheet date.

#### 13. RELATED PARTY DISCLOSURES

The charity also owns 9% of the issued share capital of Malachi Specialist Family Support Services CIC, a community interest company incorporated in England.

During the period the charity paid £5,920 for the shared services of staff.

All of the above charges and recharges were settled in full during the period.