

Zarach

Charity number 1179539

**Annual Report and Financial Statements
for the year ended 31 July 2021**



**Annual Report and Financial Statements
for the year ended 31 July 2021**

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Prepared by West Yorkshire Community Accountancy Service CIO

Zarach

Trustees' report for the year ended 31 July 2021

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position
Rebekah Wilson	Chair
Gavin Green	
Sandra Hartley	
Rachel Brookes	
Darren Stubbs	

Charity number 1179539 Registered in England and Wales

Registered and principal address	Bankers
1 Leicester Square	Virgin Money Bank
Leeds	10 Austhorpe Road
LS15 8FW	Leeds
	LS15 8DL

Independent examiner

E J Beverley FCCA

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO) formed on 14 August 2018.

The charity is governed by a constitution as amended 4 August 2020.

Method of recruitment and appointment of trustees

The trustees of the charity are appointed by the members at the AGM.

Objectives and activities

The charity's objects

The relief of financial hardship among people living or working in Leeds and surrounding areas by providing such persons directly (or via charities, or other organisations with similar objectives) with goods / services which they could not otherwise afford through lack of means.

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Trustees' report (continued) for the year ended 31 July 2021

Objectives and activities (continued)

The charity's main activities

We deliver beds and basics to children in poverty, to help families in crisis rise up from surviving to thriving, so children can Eat, Sleep and Learn.

Partnering with schools to give Every Head a Bed.

Supporting families to make Every House a Home.

Bed Deliveries

We receive referrals through our network of schools. We deliver a bed bundle for every child in the household that requires it; this includes a brand-new bed, mattress, duvet, pillow, bed sheets, pyjamas and hygiene kit. We work with local partners to include food parcels and, if needed, a school uniform. We can also mediate between families and their support services, as well as making referrals.

Thrive

We know that a bed alone cannot break the cycle of poverty that our families face. So, our delivery is the first step of a new journey for every child and their family.

For some Zarach Families, we are uniquely placed to make a huge difference to their current circumstances.

Where this has been identified, we invite them to join our Thrive pathway.

After receiving a Zarach delivery (bed bundle, food parcel or shopping service) and a text with the Thrive video link, we start the following process:

A. Ask the question, "What do you need next to thrive not just survive?"

B. Build a three-point Thrive Plan based on the highest leverage short-term and long-term benefits.

C. Connect with our local partners and other community organisations to get things moving.

COVID response

In response to the Covid-19 pandemic we quickly set up Project Vantry – a pantry in a van!

Through referrals from schools and Leeds City Council, we delivered food and essentials throughout lockdown to some of the neediest families in the city. In the first 100 days of lockdown, we fed over 1,000 people. As we anticipate the pandemic will have a negative impact on child poverty for a while yet, we've developed the following offer to make sure our Zarach families are not going hungry:

- Food for 7 Days – a delivery of seven breakfasts, lunches and evening meals for the whole family. These are for families with no recourse to public funds. Referrals are made by schools on a week by week basis.

- Ease the Strain Box – Food parcels for families in temporary crisis (e.g. waiting for universal credit payments to begin, or having been rehomed due to domestic violence).

Once contact is made with a family in crisis, our team assesses the best ways to support them further. As a friendly-face, we can mediate between families and other support services, whilst making further referrals.

Hub Development

Zarach is growing. Since our inception we have focused on deprived communities in Leeds. However, we know the need is on a national scale. In the last 6 months, we have opened 2 new hubs in Dewsbury and Romford.

Our model is to work in partnership with a local community organisation who provide volunteers and storage of bed bundles.

Public benefit statement

In setting our objectives and planning our activities our trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the prevention or relief of poverty.

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Trustees' report (continued) for the year ended 31 July 2021

Achievements and performance

Every Head a Bed

In May 2021, we delivered our 1,000th Bed Bundle.

In the 2020-21 Academic Year,

- * We delivered 680 brand new Bed Bundles to children previously living without.
- * We received 375 referrals from over 100 schools

Project Vantry (COVID response)

Over 4,000 Masks delivered.

Over 70,000 equivalent meals delivered via Project Vantry.

Over 1,000 Home Learning items delivered for local schools.

300 Food Shops for the elderly.

Part of the feedback we request from schools is around improvement in the child's punctuality, attendance and engagement. 23% of children had improved punctuality, 24% had improved attendance and an amazing 67% had improved engagement.

"Both boys have better punctuality at School. There is a marked improvement in their attitude to learning and their behaviour during the day. Both have engaged with external services to support their emotional wellbeing, and both tell me how much better it is not to share a bed." – referrer

"A had her own bedroom and space and slept there which made it easier for her to go to sleep when she wanted. All the children were free of headlice. Mum started to stagger bedtime for the siblings which meant that the son who was keeping A and his brother awake no longer did so as he was able to have some one-on-one time with his mum before going to bed. This made his behaviour easier to manage. There was less fighting between the siblings and the mum reported that she felt more able to manage the challenges as she was able to sleep better and felt less stressed with the situation." - referrer

66.7% of parents/carers said they now felt either optimistic or very optimistic about the future following involvement with Zarach.

"Mum appears more in control and happier with her life as she feels real differences are being made. What were issues before are slowly being resolved." - referrer

83.3% parents said they felt confident or very confident in their ability to source the wider support their family needs following Zarach involvement.

'One of the mums had tears on the doorstep as she saw the furniture we were bringing in. The perpetrator of the violence she is fleeing is in court very soon. He's charged with lots of things including extreme acts of violence and wielding a knife in front of his young children. She said getting all the furniture had made her feel strong for the court hearing. She said for the first time in ages she felt hopeful.' - Zarach Support Worker

'I had to flee domestic violence as my ex-husband found out where I was living. I had to leave with only things I could get into suitcases and bags, so all my furniture was left behind. I ended up in a refuge which was horrible. We temporarily moved into my Nan's house which was not ideal. My girls were sleeping in a very small room like a cupboard and only sleeping on mattress toppers and I was sharing a room with my Nan. I felt depressed. Social services helped me find a house and Zarach brought us beds and sofas. I now feel happier and feel safe making a family home and the girls are settling in and thriving. I feel safe and I'm going to look for a job to fit around the girls.' – Zarach mum

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Trustees' report (continued) for the year ended 31 July 2021

Achievements and performance (continued)

“Zarach has provided us as a school with a way of breaking down these barriers to learning. Not only do a number of children in our school now sleep on brand new beds with beautiful new bedding, but they also have a space in their homes which they can call their own. This has not only a positive impact on their physical health but their emotional wellbeing too. Parents who are under enormous pressure financially have a burden eased, which in turn contributes to happier family relationships...Speaking to children who come running across the playground in the morning to tell us excitedly about their brand-new beds, bedding and pyjamas, demonstrates the positive impact Zarach is having on so many families in our community. They provide immediate solutions to the issues which are preventing children making progress and reaching their full potential. Without Zarach, schools like ours would struggle to help families find solutions for these issues. The school and our families are extremely grateful for the support they continue to provide.” – Local Teacher

Financial review

The net income for the year was £192,506, including net income of £169,442 on unrestricted funds and net income of £23,064 on restricted funds.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £201,140.

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. The trustees propose to maintain the charity's reserves at a level which is at least equivalent to 4 months operational expenditure and have done so having regards to its manner of operation of likely funding streams. The trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis.

Surplus reserves accrued due to a lack of anticipated storage costs. We were granted temporary use of a warehouse free of charge by a local business that was forced to downsize its operations. Any further reserves will be used to support the charity's growth in line with current projections; including stock, salaries, assets and storage space.

Signed on behalf of the board of trustees on 03/05/2022

Darren Stubbs (Trustee)

Zarach

Independent examiner's report to the trustees of Zarach

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 July 2021, which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a member of ACCA which is one of the listed bodies.

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 charity as required by section 130 of the Charities 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.

E J Beverley FCCA

09/05/2022

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Zarach

Statement of Financial Activities

(including summary income and expenditure account)

for the year ended 31 July 2021

	Notes	2021 Unrestricted funds	2021 Restricted funds	2021 Total funds	2020 Total funds Restated
		£	£	£	£
Income from:					
Grants	(2)	6,355	139,541	145,896	65,738
Donations		294,044	32,984	327,028	88,830
Fundraising		-	-	-	200
Sales		316	-	316	-
Miscellaneous income		11	-	11	-
Total income		<u>300,726</u>	<u>172,525</u>	<u>473,251</u>	<u>154,768</u>
Expenditure on:					
Salaries and NIC	(3)	20,188	40,345	60,533	30,025
Pensions	(3)	326	539	865	562
Freelance delivery driver		6,008	15,857	21,865	10,875
Fuel, travel and van hire		4,923	550	5,473	170
Administration fees		762	-	762	1,508
Beds		64,987	36,315	101,302	28,219
Bedding, hygiene and pyjamas		881	40	921	8,063
Food and home supplies		7,179	40,060	47,239	12,948
Vouchers and other project costs		30	-	30	2,617
Storage		1,298	2,974	4,272	1,341
Subscriptions		933	-	933	241
Development and funding administration		5,280	10,015	15,295	7,161
Marketing		3,038	117	3,155	4,974
Support service		-	-	-	1,414
Events and activities		1,075	361	1,436	166
Insurance		1,635	-	1,635	-
Independent examination		1,200	-	1,200	600
Other professional fees		142	12	154	-
JG processing fees		754	-	754	1,004
Other payments		67	-	67	21
Minor equipment		653	230	883	-
Fundraising costs		2,083	-	2,083	-
School uniforms		-	2,046	2,046	-
Training		159	-	159	-
Volunteer expenses		15	-	15	-
Depreciation		7,668	-	7,668	-
Total expenditure		<u>131,284</u>	<u>149,461</u>	<u>280,745</u>	<u>111,909</u>
Net income / (expenditure)		<u>169,442</u>	<u>23,064</u>	<u>192,506</u>	<u>42,859</u>
Fund balances brought forward		<u>55,106</u>	<u>24,733</u>	<u>79,839</u>	<u>36,980</u>
Fund balances carried forward	(4)	<u>224,548</u>	<u>47,797</u>	<u>272,345</u>	<u>79,839</u>

All incoming resources and resources expended derive from continuing activities.

Zarach
Balance sheet
as at 31 July 2021

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	Restated £
Fixed assets				
Tangible assets	(5) 23,408	-	23,408	-
Total fixed assets	<u>23,408</u>	<u>-</u>	<u>23,408</u>	<u>-</u>
Current assets				
Debtors	-	-	-	760
Cash at bank and in hand	(6) 203,330	47,797	251,127	79,679
Total current assets	<u>203,330</u>	<u>47,797</u>	<u>251,127</u>	<u>80,439</u>
Current liabilities:				
amounts falling due within one year				
Creditors and accruals	(7) 2,190	-	2,190	600
Total current liabilities	<u>2,190</u>	<u>-</u>	<u>2,190</u>	<u>600</u>
Net current assets / (liabilities)	<u>201,140</u>	<u>47,797</u>	<u>248,937</u>	<u>79,839</u>
Total assets less current liabilities	<u>224,548</u>	<u>47,797</u>	<u>272,345</u>	<u>79,839</u>
Net assets	<u>224,548</u>	<u>47,797</u>	<u>272,345</u>	<u>79,839</u>
Funds				
Unrestricted funds				
Unrestricted funds	222,741	-	222,741	55,106
Designated funds	(4b) 1,807	-	1,807	-
Total unrestricted funds	<u>224,548</u>	<u>-</u>	<u>224,548</u>	<u>55,106</u>
Restricted funds	(4a) -	47,797	47,797	24,733
Total funds	<u>224,548</u>	<u>47,797</u>	<u>272,345</u>	<u>79,839</u>

The financial statements were approved by the board of trustees on 03/05/2022

Darren Stubbs (Trustee)

Zarach

Notes to the accounts

for the year ended 31 July 2021

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice:

Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

As turnover is over £250,000 the accounts can no longer be prepared on a receipts and payments basis but must now be prepared on an accruals basis. The comparative figures for the previous year have been restated on an accruals basis, this amends the funds carried forward at 31 July 2020 from £79,679 to £79,839 and recognises debtors of £760 and accruals of £600 at 31 July 2020.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Office equipment: over 5 years

Motor vehicles: over 4 years

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

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Notes to the accounts continued for the year ended 31 July 2021

1 Accounting policies (continued)

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

2 Grants

	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Longleigh Foundation	-	43,205	43,205	42,358
The National Lottery Community Fund (NLCF)	-	38,670	38,670	-
Charities Aid Foundation (CAF) Resilience Fund	-	28,716	28,716	-
Penny Appeal	-	10,000	10,000	-
Stonebridge Homes	-	-	-	2,400
Charities Trust	3,355	-	3,355	-
The DWF Charitable Foundation	-	2,500	2,500	-
Sir George Martin Trust	-	2,000	2,000	-
Direct Line Group - Community Fund (Pudsey)	2,000	-	2,000	-
West Yorkshire Police Safer Communities	-	6,000	6,000	-
The Yorkshire Charity	-	1,500	1,500	-
The Rasche Family Charity Fund	1,000	-	1,000	-
The Liz & Terry Bramall Foundation	-	5,000	5,000	-
Yorkshire Young Achievers Foundation	-	1,950	1,950	5,000
Jimbo's Fund	-	-	-	3,000
Scurrah Wainwright	-	-	-	3,000
West Riding Masons	-	-	-	2,880
Mazars	-	-	-	1,000
Pudsey Computers	-	-	-	1,700
Leeds Building Society	-	-	-	900
Other small grants	-	-	-	3,500
	<u>6,355</u>	<u>139,541</u>	<u>145,896</u>	<u>65,738</u>

3 Staff costs and numbers

	2021 £	2020 £
Gross salaries	60,487	29,463
Social security costs	3,680	1,748
Employment allowance	(3,680)	(1,748)
Pensions	911	562
	<u>61,398</u>	<u>30,025</u>

The average number of employees during the year was 3.8, being an average of 2.4 full time equivalent (2020: 2, 1.5 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2021 £	2020 £
Costs of the scheme to the charity for the year	911	562

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Notes to the accounts continued for the year ended 31 July 2021

4a Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
Longleigh Foundation	23,718	43,205	46,290	-	20,633
Stonebridge Homes	1,015	9,100	10,115	-	-
Every Head a Bed	-	20,150	11,246	-	8,904
NLCF Covid response	-	38,670	38,670	-	-
CAF	-	28,716	28,716	-	-
Carpets	-	22,744	4,484	-	18,260
Epilepsy pillow fund	-	40	40	-	-
Laptop fund	-	400	400	-	-
Sir George Martin Trust	-	2,000	2,000	-	-
Project Vantry	-	7,500	7,500	-	-
	<u>24,733</u>	<u>172,525</u>	<u>149,461</u>	<u>-</u>	<u>47,797</u>

Fund name

Purpose of restriction

Longleigh Foundation	Towards costs of the Project Co-ordinator, freelance delivery driver, development support and storage.
Stonebridge Homes	For "Every Head a Bed" provision.
Every Head a Bed	Towards costs of purchasing beds. Funded by the Penny Appeal, WYP Safer Communities, the Yorkshire Young Achievers Foundation and the Yorkshire Charity, plus donations.
NLCF Covid response	For Emergency Covid response provision.
CAF	For The GrEAT Outdoors project.
Carpets	Towards costs of purchasing carpets.
Epilepsy pillow fund	For the cost of an epilepsy pillow.
Laptop fund	For the cost of a laptop.
Sir George Martin Trust	For the Dewsbury hub.
Project Vantry	For provision of food and home supplies Funded by The DWF Charitable Foundation and The Liz & Terry Bramall Foundation

4b Designated funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
Romford	-	2,500	693	-	1,807
	<u>-</u>	<u>2,500</u>	<u>693</u>	<u>-</u>	<u>1,807</u>

Fund name

Purpose of restriction

Romford	Romford Hub is a pilot project designed to inform Hub Development and sustainable national growth of <i>Every Head a Bed</i> through strategic local partnerships.
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Notes to the accounts continued for the year ended 31 July 2021

5 Tangible assets

	Office equipment £	Motor vehicles £	Total £
Cost			
At 1 August 2020	-	-	-
Additions	2,007	29,069	31,076
At 31 July 2021	2,007	29,069	31,076
Depreciation			
At 1 August 2020	-	-	-
Charge for year	401	7,267	7,668
At 31 July 2021	401	7,267	7,668
Net book value			
At 31 July 2021	1,606	21,802	23,408
At 31 July 2020	-	-	-

6 Cash at bank and in hand

	2021 £	2020 £
Cash at bank	251,123	79,540
Cash in hand	4	139
	251,127	79,679

7 Creditors and accruals

	2021 £	2020 £
Creditors	990	-
Accruals	1,200	600
	2,190	600

8 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.

Other related party transactions

Other transactions with trustees or related parties

			2021 £	2020 £
Name of trustee or related party	Relationship to charity	Description of transaction		
Mark Cohen	Father of Rebekah Wilson (Chair)	Freelance delivery driver	20,371	10,875
			20,371	10,875

Zarach

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 July 2021

	2021 Unrestricted funds £	2020 Unrestricted funds £	2021 Restricted funds £	2020 Restricted funds £	2021 Total funds £	2020 Total funds £
Income						
Grants	6,355	3,500	139,541	62,238	145,896	65,738
Donations	294,044	88,830	32,984	-	327,028	88,830
Fundraising	-	200	-	-	-	200
Sales	316	-	-	-	316	-
Miscellaneous income	11	-	-	-	11	-
Total income	300,726	92,530	172,525	62,238	473,251	154,768
Expenditure						
Salaries and NIC	20,188	-	40,345	30,025	60,533	30,025
Pensions	326	-	539	562	865	562
Freelance delivery driver	6,008	-	15,857	10,875	21,865	10,875
Fuel, travel and van hire	4,923	170	550	-	5,473	170
Administration fees	762	1,308	-	200	762	1,508
Beds	64,987	10,156	36,315	18,063	101,302	28,219
Bedding, hygiene and pyjamas	881	7,044	40	1,019	921	8,063
Food and home supplies	7,179	11,973	40,060	975	47,239	12,948
Vouchers and other project costs	30	2,592	-	25	30	2,617
Storage	1,298	1,341	2,974	-	4,272	1,341
Subscriptions	933	241	-	-	933	241
Development /funding administration	5,280	-	10,015	7,161	15,295	7,161
Marketing	3,038	4,974	117	-	3,155	4,974
Support service	-	1,414	-	-	-	1,414
Events and activities	1,075	166	361	-	1,436	166
Insurance	1,635	-	-	-	1,635	-
Independent examination	1,200	600	-	-	1,200	600
Other professional fees	142	-	12	-	154	-
JG processing fees	754	1,004	-	-	754	1,004
Other payments	67	21	-	-	67	21
Minor equipment	653	-	230	-	883	-
Fundraising costs	2,083	-	-	-	2,083	-
School uniforms	-	-	2,046	-	2,046	-
Training	159	-	-	-	159	-
Volunteer expenses	15	-	-	-	15	-
Depreciation	7,668	-	-	-	7,668	-
Total expenditure	131,284	43,004	149,461	68,905	280,745	111,909
Net income / (expenditure)	169,442	49,526	23,064	(6,667)	192,506	42,859
Fund balances brought forward	55,106	5,580	24,733	31,400	79,839	36,980
Fund balances carried forward	224,548	55,106	47,797	24,733	272,345	79,839