

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2022
FOR
ZARACH**

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST JULY 2022

TRUSTEES

D Stubbs
R Brookes
R Wilson
G Green
S Hartley (resigned 26/1/23)

PRINCIPAL ADDRESS

1 Leicester Square
Crossgates
Leeds
LS15 8FW

REGISTERED CHARITY NUMBER

1179539

AUDITORS

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
West Yorkshire
LS15 8ZB

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST JULY 2022**

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

Objectives and aims

The relief of financial hardship among people living or working in England 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.

Significant 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.

Public benefit

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.

Volunteers

This year we celebrate 63 Active Volunteers that have completed 215 Volunteer Opportunities including driving vans, delivering beds, preparing food boxes and packing bed bundles.

ACHIEVEMENTS AND PERFORMANCE

Every Head a Bed

Zarach believes that well-rested and well-fed children are increasingly ready to learn. Engaging in education gives children the tools they need to break the cycle of poverty, help their families out of crisis and improve the breadth of opportunities available to their future selves.

Professional Referral

We receive referrals through our unique network of schools and partner organisations.
A short referral form is sent via email that includes permission from the parent/guardian.

Home Delivery

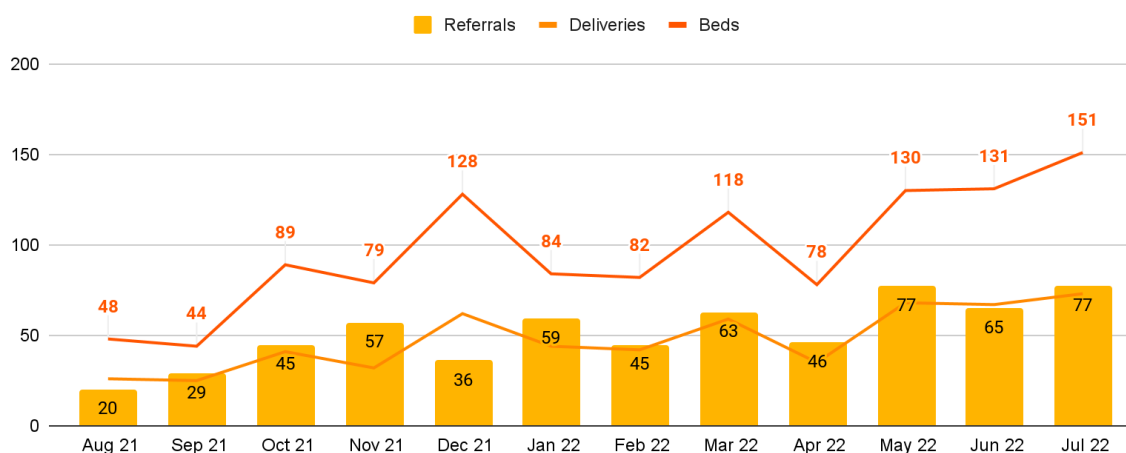
Within 7 days, we contact the family and prepare a Bed Bundle; which is delivered by our experienced team.
A Zarach Bed Bundle includes a brand-new Bed, Mattress, Duvet, Pillow, Bed Sheets, Pyjamas and Hygiene Kit. We also work with local partners to include Food Parcels and, if needed, a School Uniform.

Personal Support

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

In May 2022, just 12 months after the milestone of our 1,000th Bed Bundle, we delivered Bed Bundle 2,000! In the end, we delivered more beds this year than in the previous 4-years combined. **619 Referrals** led to **574 Deliveries** of providing **1,162 Bed Bundles** to children that would otherwise go without. That's an average of **97 Bed Bundles** each month.

Referrals, Deliveries and Beds



*'He is very much enjoying having his own bed.
Mum told me he is sleeping all night and has transitioned well.'*
- Referrer, Leeds

*'I want to just say thank you for the bed, the bedding and everything we got.
We appreciate it so much and it has helped us out in a big way.'*
- Parent, Leeds

'Mum was very grateful for your generosity. It has taken a big weight off her mind - both financially and knowing that the children have a safe, comfortable place to sleep.'
- Referrer, Leeds

Hub Development

Our 2 pilot hubs in Dewsbury and Romford grew well throughout the year resulting in an additional **130 Bed Bundles** delivered outside of Leeds. We were able to capture our experiences and learning in the development of a new model for geographical growth led by our Hubs and Projects Coordinator.

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. This additional support is focussed on 4 specific outcomes:

- **Environment:** Families have safe, comfortable homes
- **Energy:** Families have improved mental and physical wellbeing
- **Education:** Children succeed at school
- **Economy:** Parents have improved financial wellbeing

Every House a Home

By providing changes to their living environment, and showing them that someone cares, Zarach Families are in a better place to change their own lives.

- **Flooring:** Campaign results in carpets fitted for **41** Zarach Families.
- **Fuel:** Emergency Top-ups provided for those on Gas/Electric meters.
- **Furniture:** Pre-loved items donated and delivered to Zarach Families.

'By providing carpets for this house, all professionals involved could see a huge transformation with the family dynamics in that it created such a positive home environment. It not only enabled the children to take more pride of their belongings but also their bedroom was more of a safe sanctuary for them and it allowed them a warm and welcoming space to complete homework and sleep at night.'

- Clinical Support Worker, Leeds City Council (Children's Services)

Families Eat Together

Emergency Food Parcels

Initially set up in response to the Covid-19 pandemic, our Emergency Food provision has continued to serve families across Leeds in moments of acute crisis.

- **478 Emergency Food Parcels** delivered to **234 Households**

Zarach Food Club

We launched our food pantry project alongside other organisations in a city-wide initiative to increase access to affordable food for those families who had previously found themselves dependent on emergency food parcels and food bank provision. A Food Box costs a family £3.50 but provides at least £20 worth of food.

- **1,440 Food Boxes** provided for **182 Households** (Members)

Case Study:

J attends Zarach FOOD Club on a regular basis and has established a great relationship with the volunteer team. She mentioned her youngest is due to start school in September and is very shy. The team invited her to Healthy Holidays and J attended all 3 sessions over summer with her daughter who had a great time socialising with some peers ahead of starting school.

Healthy Holidays

During the school holidays, pupils who receive free school meals are at risk of holiday hunger. Our Healthy Holidays initiative was created to ensure Zarach Families can have fun, stay active & get fed.

- **582 Meals** Served to **142 Individual Children**

Every Child a Chance

Zarach relies on professionals in schools to spot the signs of bed poverty and refer these children to us for support. At the end of the year, 53% of schools in Leeds were registered with us as referrers. However, we want our special partnerships with local schools to extend beyond referrals alone. We have already offered assemblies, fundraising opportunities, bed bundle item collections, raising awareness and campaigning.

National Sleep Strategy

In December 2021, our Chair and Founder launched a government petition to Create a 'National Sleep Strategy' to end child bed poverty. With national media attention, it soon reached 10,000 signatures and received a response from the government in March 2022. This led to the acknowledgement of the charity's work by the Prime Minister and the usage of the term 'bed poverty' in an official capacity. We continue to pursue advocacy and policy change on a national scale.

'The government recognises how vital sleep is to ensuring children and young people have the energy they need to perform at their best. We also recognise that the causes of poverty, including bed poverty, are various.'

- Department for Levelling Up, Housing and Communities

FINANCIAL REVIEW

Financial position

Income for the year has increased by £964,984 to £1,438,224. This increase is due to the media attention generated during the year as noted above. The net income for the year was £871,524, including net income of £871,339 on unrestricted funds and net income of £185 on restricted funds.

Reserves policy

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. Based on the 2022 costs this would equate to £188,954.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST JULY 2022**

The charity's free reserves, excluding fixed assets, at the year end were £973,498. This exceeds the target level of reserves. Surplus reserves accrued due to national media exposure and the subsequent increases in donation income. We were granted lease of a warehouse free of charge by a development company.

Any further reserves will be used to support the charity's national expansion and geographical growth in line with current projections (including stock, salaries and storage space), as well as safeguarding the charity's activities against the impact of rising living costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Charity constitution

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

Recruitment and appointment of new trustees

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

Key management remuneration

The trustees consider the Charity Manager as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

Related party transactions

Details of trustee expenses and related party transactions are disclosed in note 8 and 16 to the accounts.

Ethical fundraising policy

At Zarach we aim to ensure that our supporters and the wider public are treated fairly and with respect. We continually monitor and review our practices to ensure we are adhering to the latest in fundraising regulations and practices.

Zarach voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. All staff are aware of and adhere to Charity Commission guidelines and The Code of Fundraising Practice which sets out statutory obligations and best practice standards.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

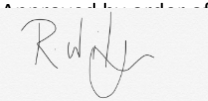
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of trustees on 20th April 2023 and signed on its behalf by:


Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ZARACH

Opinion

We have audited the financial statements of Zarach (the 'charity') for the year ended 31st July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st July 2022 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 for 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 Auditors' 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.

Conclusions 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ZARACH

Our responsibilities for the audit of the financial statements

We have been appointed as auditors 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and industries in which it operates, we identified the principal risks of non-compliance with laws and regulations related to health and safety, employment law and data protection. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, tax legislation and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls, and ensuring these controls operated as intended. We determined the principal risks were related to posting journal entries to manipulate profits, and management bias in accounting estimates, especially accruals.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to accruals, prepayments, accrued interest and depreciation.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed audit procedures which included, but were not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reading the minutes of meetings of those charged with governance.
- Reviewing correspondence with HMRC and the Charities Commission.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Other matters which we are required to address

The corresponding figures for the year ending 31st July 2021 are unaudited.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ZARACH

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 auditors' 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.

Thomas Coombs Limited

Thomas Coombs Limited
Statutory Auditor
Chartered Accountants
3365 The Pentagon
Century Way
Thorpe Park
Leeds
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LS15 8ZB

20th April 2023

ZARACH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST JULY 2022

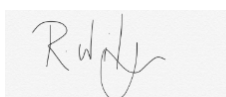
	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,242,934	195,290	1,438,224	473,240
Investment income	3	<u>161</u>	<u>-</u>	<u>161</u>	<u>11</u>
Total		1,243,095	195,290	1,438,385	473,251
EXPENDITURE ON					
Raising funds	4	20,504	1,578	22,082	20,533
Charitable activities	5				
Cost to provide charitable activities		351,252	193,527	544,779	260,212
Total		371,756	195,105	566,861	280,745
NET INCOME		871,339	185	871,524	192,506
RECONCILIATION OF FUNDS					
Total funds brought forward		224,548	47,797	272,345	79,839
TOTAL FUNDS CARRIED FORWARD		<u>1,095,887</u>	<u>47,982</u>	<u>1,143,869</u>	<u>272,345</u>

The notes form part of these financial statements

ZARACH
BALANCE SHEET
31ST JULY 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	11	122,389	-	122,389	23,408
CURRENT ASSETS					
Stocks	12	25,009	-	25,009	-
Debtors	13	135,748	(1,950)	133,798	-
Cash at bank and in hand		847,962	49,932	897,894	251,127
		1,008,719	47,982	1,056,701	251,127
CREDITORS					
Amounts falling due within one year	14	(35,221)	-	(35,221)	(2,190)
NET CURRENT ASSETS		973,498	47,982	1,021,480	248,937
TOTAL ASSETS LESS CURRENT LIABILITIES		1,095,887	47,982	1,143,869	272,345
NET ASSETS		1,095,887	47,982	1,143,869	272,345
FUNDS	15				
Unrestricted funds				1,095,887	224,548
Restricted funds				47,982	47,797
TOTAL FUNDS				1,143,869	272,345

The financial statements were approved by the Board of Trustees and authorised for issue on 20th April 2023 and were signed on its behalf by:



R Wilson - Trustee

The notes form part of these financial statements

ZARACH**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>725,802</u>	<u>202,513</u>
Net cash provided by operating activities		<u>725,802</u>	<u>202,513</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(79,196)	(31,076)
Interest received		<u>161</u>	<u>11</u>
Net cash used in investing activities		<u>(79,035)</u>	<u>(31,065)</u>
 		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		646,767	171,448
Cash and cash equivalents at the beginning of the reporting period		<u>251,127</u>	<u>79,679</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>897,894</u></u>	<u><u>251,127</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2022**

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

	2022	<i>2021</i>
	£	<i>£</i>
Net income for the reporting period (as per the Statement of Financial Activities)	871,524	<i>192,506</i>
Adjustments for:		
Depreciation charges	10,540	<i>7,668</i>
Interest received	(161)	<i>(11)</i>
Increase in stocks	(25,009)	<i>-</i>
(Increase)/decrease in debtors	(133,798)	<i>760</i>
Increase in creditors	2,706	<i>1,590</i>
Net cash provided by operations	<u>725,802</u>	<i><u>202,513</u></i>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/21	Cash flow	At 31/7/22
	£	£	£
Net cash			
Cash at bank and in hand	<u>251,127</u>	<u>646,767</u>	<u>897,894</u>
	<u>251,127</u>	<u>646,767</u>	<u>897,894</u>
Total	<u>251,127</u>	<u>646,767</u>	<u>897,894</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2022**

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.

The financial statements have been prepared on a going concern basis as the trustees believe 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.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

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.

Grants 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.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

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.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and machinery	20% on cost value
Fixtures and fittings	20% on cost value
Motor vehicles	25% on cost value

Stocks

Stocks are stated at the lower of cost (or deemed cost of donated items) and estimated selling price less costs to complete and sell.

Taxation

The charity is exempt from tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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.

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.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	1,023,238	327,028
Gift aid	134,557	-
Grants	177,255	145,896
Sales	1,680	316
Event income	7,263	-
Donations in kind (items provided to beneficiaries and facilities used by Charity)	94,231	-
	<u>1,438,224</u>	<u>473,240</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

2. DONATIONS AND LEGACIES - continued

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

	2022	2021
	£	£
C & E Sykes Food Club	5,000	-
Cash for Kids	2,100	-
Garfield Weston Foundation	30,000	-
Leeds City Council	54,900	-
Community Foundation for Leeds, Hesco Bastion Fund	19,535	-
Community Foundation for Leeds, Local Care Direct	9,946	-
National Lottery Community Fund	10,000	38,670
Mayor's Safer Communities Fund	5,896	-
Penny Appeal	10,000	10,000
WYNN Foundation	6,660	-
Voluntary Action - Widening Partners	9,500	-
The Repper Charitable Foundation	500	-
Miscellaneous	10,000	-
The Henhurst Charitable Trust	600	-
Co-operative	368	-
The Openwork Found	250	-
C F in Wales	2,000	-
Longleigh Foundation	-	43,205
Charities Aid Foundation (CAF) Resilience Fund	-	28,716
Sir George Martin Trust	-	2,000
The DWF Charitable Foundation	-	2,500
The Liz & Terry Bramall Foundation	-	5,000
Yorkshire Young Achievers Foundation	-	1,950
West Yorkshire Police Safer Communities	-	6,000
The Yorkshire Charity	-	1,500
Charities Trust	-	3,355
Direct Line Group - Community Fund (Pudsey)	-	2,000
The Rasche Family Charity Fund	-	1,000
	<u>177,255</u>	<u>145,896</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Interest received	<u>161</u>	<u>11</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

4. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Marketing	10,212	3,155
Development and funding admin	11,870	17,378
	<u>22,082</u>	<u>20,533</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Cost to provide charitable activities	<u>539,544</u>	<u>5,235</u>	<u>544,779</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	115,415	62,892
Insurance	3,050	1,635
Beds	181,046	101,302
Bedding, hygiene and pyjamas	51,854	921
Food and home supplies	96,268	47,269
Closing stock	(25,009)	-
Freelance delivery driver	19,200	20,371
Fuel, travel and van hire	13,042	5,473
School uniforms	7,696	2,046
Events and activities	251	1,436
Rent	47,700	-
Administration fees	5,225	762
Subscriptions	879	933
Storage	6,510	4,272
Processing fees	5,877	754
Depreciation	10,540	7,668
	<u>539,544</u>	<u>257,734</u>

7. SUPPORT COSTS

	Governance costs £
Cost to provide charitable activities	<u>5,235</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

7. SUPPORT COSTS - continued

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

	2022	2021
	Cost to provide charitable activities £	Total activities £
Auditors' remuneration	4,000	-
Auditors' remuneration for non audit work	900	-
Professional fees	335	1,278
Previous independent examiners fee	-	1,200
	<u>5,235</u>	<u>2,478</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	104,570	59,080
Social security costs	8,499	2,947
Other pension costs	2,346	865
	<u>115,415</u>	<u>62,892</u>

The charity considers its key management personnel (in addition to the Board of Trustees) to be the Charity Manager. The total remuneration (including employer pension contributions) of the key management personnel was £35,706.

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

	2022	2021
	<u>6</u>	<u>4</u>
Employees		

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

The full time equivalent is 4 (2021: 2).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	300,715	172,525	473,240
Investment income	<u>11</u>	<u>-</u>	<u>11</u>
Total	300,726	172,525	473,251
EXPENDITURE ON			
Raising funds	10,401	10,132	20,533
Charitable activities			
Cost to provide charitable activities	120,883	139,329	260,212
Total	<u>131,284</u>	<u>149,461</u>	<u>280,745</u>
NET INCOME	169,442	23,064	192,506
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>55,106</u>	<u>24,733</u>	<u>79,839</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>224,548</u></u>	<u><u>47,797</u></u>	<u><u>272,345</u></u>

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st August 2021	-	2,007	29,069	31,076
Additions	<u>5,859</u>	<u>3,624</u>	<u>100,038</u>	<u>109,521</u>
At 31st July 2022	<u>5,859</u>	<u>5,631</u>	<u>129,107</u>	<u>140,597</u>
DEPRECIATION				
At 1st August 2021	-	401	7,267	7,668
Charge for year	<u>123</u>	<u>605</u>	<u>9,812</u>	<u>10,540</u>
At 31st July 2022	<u>123</u>	<u>1,006</u>	<u>17,079</u>	<u>18,208</u>
NET BOOK VALUE				
At 31st July 2022	<u><u>5,736</u></u>	<u><u>4,625</u></u>	<u><u>112,028</u></u>	<u><u>122,389</u></u>
At 31st July 2021	<u><u>-</u></u>	<u><u>1,606</u></u>	<u><u>21,802</u></u>	<u><u>23,408</u></u>

All fixed assets are used for charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

12. STOCKS

	2022	2021
	£	£
Stocks	<u>25,009</u>	<u>-</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Gift aid recoverable	133,548	-
Other debtors	<u>250</u>	<u>-</u>
	<u>133,798</u>	<u>-</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Capital creditor	30,321	-
Other creditors	-	900
Accruals and deferred income	<u>4,900</u>	<u>1,290</u>
	<u>35,221</u>	<u>2,190</u>

15. MOVEMENT IN FUNDS

	At 1/8/21	Net movement in funds	At 31/7/22
	£	£	£
Unrestricted funds			
General fund	222,741	870,135	1,092,876
Romford (DUR)	<u>1,807</u>	<u>1,204</u>	<u>3,011</u>
	224,548	871,339	1,095,887
Restricted funds			
C & E Sykes Food Club	-	789	789
Garfield Weston Foundation	-	4,054	4,054
HSF (DWP)	-	10,735	10,735
Jimbo's Fund	-	13,023	13,023
Leeds Community Foundation	-	3,315	3,315
National Lottery Community Fund	-	4,155	4,155
Safer Communities	-	5,896	5,896
School Uniforms	8,904	(7,696)	1,208
Food Club	-	786	786
LCCT Food Club	-	310	310
LCCT Food Pantry	-	3,000	3,000
Voluntary Action HSF	-	(1,950)	(1,950)
Longleigh Foundation	20,633	(20,633)	-
Carpets	<u>18,260</u>	<u>(15,599)</u>	<u>2,661</u>
	<u>47,797</u>	<u>185</u>	<u>47,982</u>
TOTAL FUNDS	<u>272,345</u>	<u>871,524</u>	<u>1,143,869</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

15. 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	1,237,198	(367,063)	870,135
Romford (DUR)	5,897	(4,693)	1,204
	1,243,095	(371,756)	871,339
Restricted funds			
Backpack Project	25,000	(25,000)	-
C & E Sykes Food Club	5,000	(4,211)	789
Cash for Kids	2,100	(2,100)	-
Garfield Weston Foundation	30,000	(25,946)	4,054
HSF (DWP)	29,900	(19,165)	10,735
Jimbo's Fund	19,535	(6,512)	13,023
Leeds Community Foundation	9,945	(6,630)	3,315
National Lottery Community Fund	10,000	(5,845)	4,155
Safer Communities	5,896	-	5,896
School Uniforms	10,000	(17,696)	(7,696)
Voluntary Action - Widening Partners	9,499	(9,499)	-
Wynn Foundation	3,660	(3,660)	-
Bereaved Family	500	(500)	-
FABB	9,432	(9,432)	-
Laptop Fund	1,140	(1,140)	-
Food Club	786	-	786
LCCT Food Club	1,001	(691)	310
LCCT Food Pantry	3,000	-	3,000
Voluntary Action HSF	-	(1,950)	(1,950)
Longleigh Foundation	-	(20,633)	(20,633)
Carpets	18,896	(34,495)	(15,599)
	195,290	(195,105)	185
TOTAL FUNDS	1,438,385	(566,861)	871,524

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/8/20 £	Net movement in funds £	At 31/7/21 £
Unrestricted funds			
General fund	55,106	167,635	222,741
Romford (DUR)	-	1,807	1,807
	55,106	169,442	224,548
Restricted funds			
School Uniforms	-	8,904	8,904
Longleigh Foundation	23,718	(3,085)	20,633
Stonebridge Homes	1,015	(1,015)	-
Carpets	-	18,260	18,260
	24,733	23,064	47,797
TOTAL FUNDS	<u>79,839</u>	<u>192,506</u>	<u>272,345</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	298,226	(130,591)	167,635
Romford (DUR)	2,500	(693)	1,807
	300,726	(131,284)	169,442
Restricted funds			
National Lottery Community Fund	38,670	(38,670)	-
School Uniforms	20,150	(11,246)	8,904
Laptop Fund	400	(400)	-
Longleigh Foundation	43,205	(46,290)	(3,085)
Stonebridge Homes	9,100	(10,115)	(1,015)
CAF	28,716	(28,716)	-
Carpets	22,744	(4,484)	18,260
Epilepsy Pillow Fund	40	(40)	-
Sir George Martin Trust	2,000	(2,000)	-
Project Vantry	7,500	(7,500)	-
	172,525	(149,461)	23,064
TOTAL FUNDS	<u>473,251</u>	<u>(280,745)</u>	<u>192,506</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2022

15. MOVEMENT IN FUNDS - continued

Backpack Project	-Healthy Holidays Plus pilot to distribute Backpacks of items to children
C&E Sykes Food Club	-Towards running a Food Pantry
Cash For Kids	-Towards purchasing Food for families
Garfield Weston Foundation	-Towards salary costs
HSF (DWP)	-DWP Household Support Funding towards essential items (beds)
Jimbo's Fund	-Towards Support Worker salaries
Leeds Community Foundation	-Local Care Direct Health & Wellbeing Fund towards salaries
National Lottery Community Fund	-Toward Volunteer Coordinator salaries and training
Safer Communities	-Towards Support Worker salaries
School Uniforms	-Towards purchasing School Uniform & Beds
Voluntary Action - Widening Partners	-Towards purchasing Food for families
Wynn Foundation	-Towards cost of purchasing beds.
Bereaved Family	-Towards cost of purchasing beds.
FABB	-Towards rent of Storage Containers and Beds
Laptop Fund	-For the cost of a laptop.
Food Club	-Towards running a Food Pantry
LCCT Food Club	-Towards running a Food Pantry
LCCT Food Pantry	-DWP Household Support Funding towards running a Food Pantry
Voluntary Action HSF	-DWP Household Support Funding towards essential items
	-Towards costs of the Project Co-ordinator, freelance delivery driver, development support and storage.
Longleigh Foundation	-Towards costs of purchasing carpets.
Carpets	

16. RELATED PARTY DISCLOSURES

Income and expenditure related to trustees or their close relatives is required to be disclosed as a related party transaction. Within the year, costs of £19,200 (2021: £20,371) were paid to Mark Cohen, father of trustee Rebakah Wilson, for work done as a freelance delivery driver delivering goods to beneficiaries.

ZARACH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,023,238	327,028
Gift aid	134,557	-
Grants	177,255	145,896
Sales	1,680	316
Event income	7,263	-
Donations in kind (items provided to beneficiaries and facilities used by Charity)	94,231	-
	1,438,224	473,240
Investment income		
Interest received	161	11
Total incoming resources	1,438,385	473,251
EXPENDITURE		
Raising donations and legacies		
Marketing	10,212	3,155
Development and funding admin	11,870	17,378
	22,082	20,533
Charitable activities		
Wages	104,570	59,080
Social security	8,499	2,947
Pensions	2,346	865
Insurance	3,050	1,635
Beds	181,046	101,302
Bedding, hygiene and pyjamas	51,854	921
Food and home supplies	96,268	47,269
Closing stock	(25,009)	-
Freelance delivery driver	19,200	20,371
Fuel, travel and van hire	13,042	5,473
School uniforms	7,696	2,046
Events and activities	251	1,436
Rent	47,700	-
Administration fees	5,225	762
Subscriptions	879	933
Storage	6,510	4,272
Processing fees	5,877	754
Depreciation	10,540	7,668
	539,544	257,734
Support costs		
Governance costs		
Auditors' remuneration	4,000	-
Carried forward	4,000	-

This page does not form part of the statutory financial statements

ZARACH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2022**

	2022 £	2021 £
Governance costs		
Brought forward	4,000	-
Auditors' remuneration for non audit work	900	-
Professional fees	335	1,278
Previous independent examiners fee	-	1,200
	<u>5,235</u>	<u>2,478</u>
 Total resources expended	 <u>566,861</u>	 <u>280,745</u>
 Net income	 <u><u>871,524</u></u>	 <u><u>192,506</u></u>

This page does not form part of the statutory financial statements