

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023
FOR
ZARACH**

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

ZARACH

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FOR THE YEAR ENDED 31ST JULY 2023**

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ZARACH

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST JULY 2023

TRUSTEES

D Stubbs
R Brookes (resigned 31/7/23)
R Wilson
G Green
S Hartley (resigned 26/1/23)
S Beevers (appointed 20/4/23)
J Pearson (appointed 30/11/23)
M Barkley (appointed 30/11/23)

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

Zarach 2022-23 financial year report

The Trustees of Zarach present their report with the financial statements of the charity for the year ended 31st July 2023. 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 1st January 2019).

Objectives, mission & values

The objects of the charity, as amended by a resolution of the Trustees in May 2022, are **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.**

During the year, the social mission and values of the charity were refreshed.

Our social mission is:

To end child bed poverty in England, giving children the opportunity to engage at school and a chance to break the cycle of poverty.

To support greater understanding of our social mission, the following position statements were developed.

Supporting: we believe in the well evidenced importance of sleep on a child's overall wellbeing and development. And we believe a child's ability to fully engage in their education is a key factor in breaking the cycle of poverty. From our school referral network, we provide beds to children: a practical form of support that has both an immediate and a long-term positive impact of a child and their family.

Engaging: providing a bed alone won't end child bed poverty in England. We want to support children and families to rise up from surviving to thriving so when they need beds again, they don't need us. It's our family engagement that builds upon the provision of beds, providing direct support, engaging local partners, and helping families move forward.

Influencing: we're working for a world in which Zarach is not needed anymore because our mission is complete. Alongside our on the ground provision of beds and family

engagement, we need to play our part in influencing national and local policies and practices with partners who also want to see an end to any form of child poverty.

Our values are that we strive to be:

<p>Aspirational</p> <ul style="list-style-type: none"> • Believing in and wanting better for all. • Having a positive energy that uplifts and enables others. • Being solution focused to the challenges faced. • Having high standards through a commitment to continual improvement and professionalism. • Celebrating and being thankful for individual and collective achievements to learn as much from these as we do from our challenges. 	<p>Respectful</p> <ul style="list-style-type: none"> • Demonstrating compassion, care and understanding towards others because respect is mutual. • Being empathetic. • Listening actively and without judgement to hear the views and opinions and others. • Treating people fairly and considerately. • Upholding our agreed ways of working that keeps everyone safe, fulfils our responsibilities, maintains standards, and protects our reputation.
<p>Collaborative</p> <ul style="list-style-type: none"> • Knowing that collaboration and partnerships can help the sum be greater than the parts. • Working in partnership with those where we have shared missions, goals or aims. • Recognising the importance of negotiation and acceptable compromise so we advance and progress together with others. • Working with purpose towards positive and mutually beneficial outcomes. 	<p>Open</p> <ul style="list-style-type: none"> • Being proud of and championing our mission, values, and the services we provide so we are open with everyone about what we do and how we do it. • Being accountable for the promises and commitments we make. • Taking care with our candour and need to challenge so we can always be honest at the right time, in the right place and in the right way. • We are honoured to be a charity and embrace the transparency that must come with this.

Public benefit

In setting our mission, vision, key aims and in planning our activities, the Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and the prevention or relief of poverty.

Our charitable object states 'the relief of financial hardship...by providing such persons directly...with goods/services which they could not otherwise afford through lack of

means. The 2023 report by Barnardo's, No crib for a bed, defined bed poverty as, 'where families, children or young people do not have the sleeping arrangements they need because they have insufficient financial resources'.

Our provision of bed bundles to address child bed poverty, emergency food and subsidised food provisions, and supporting families access free support in their communities, are the main ways that we deliver our public benefit.

Activities, achievements & performance

The main activities undertaken in relation to the pursuit of our charitable objects, social mission, and vision, are:

- The provision of bed bundles to children in child bed poverty,
- Family engagement to the families of the children we provide beds to where they have unmet support needs, which includes emergency food provisions,
- Leeds-based projects including subsidised food provision to families in immediate area in which we are located and Health Holiday activities, and
- Engagement with national and local influencing and awareness raising opportunities.

Provision of bed bundles to children in child bed poverty

In the year, we saw an 82% increase in our activity of providing bed bundles for children living in child poverty, compared to the previous year. Referrals for our support continued to predominantly consist of primary and secondary schools. We provided 2633 bed bundles (2021-22 was 1162), with 509 (19.3%) of these being provided via our delivery partner hubs (Romford, Dewsbury, Calderdale, Huddersfield, and Stockport).

Month	2022-23	Leeds	Dewsbury	Romford	Calderdale	Hudds	Stockport	Liverpool
Aug 22	77	76	1	0	0	0	0	0
Sep 22	152	131	11	10	0	0	0	0
Oct 22	230	202	4	11	7	6	0	0
Nov 22	226	208	0	9	7	2	0	0
Dec 22	221	189	22	6	4	0	0	0
Jan 23	206	158	20	13	9	5	1	0
Feb 23	201	160	15	6	12	1	7	0
Mar 23	297	247	0	12	16	8	14	0
Apr 23	180	129	33	6	1	5	6	0
May 23	319	231	45	5	18	7	13	0

Jun 23	270	202	16	11	19	14	8	0
Jul 23	254	191	23	8	13	0	15	4
TOTAL	2,633	2,124	190	97	106	48	64	4

By the end of the year, the total number of bed bundles provided since our inception was 5,100.

Case Study: In April 2023, we delivered our 4,000th bed bundle!

When our founder, Bex asked her friends to help her set up and run Zarach as a charity in 2017, she honestly thought that they'd be delivering a couple of beds a week, making a small contribution to a small problem she'd encountered.

But that's simply not the reality. More than one in seven parents (16%) say their children have had to share a bed with them, their partner, or a sibling because they cannot afford another bed. (Barnardo's 'No Crib for a Bed' research 2023).

Bed poverty is a national issue. But we're out there trying to make a difference... one family at a time. We couldn't do this without the continued support we receive from the individuals, community groups, businesses, and funders, including our Dream Makers and corporate partnerships.

Our 4,000th bed went to a family consisting of dad, and four brothers. The family have been through some challenging times with the youngest suffering a brain injury at a young age and dad breaking his back in 2022. The children had been sleeping on the floor, and dad on the sofa.

Until these life-changing circumstances hit, dad had always worked full-time. "I'm used to working, being active. It's hard not doing stuff anymore," said Dad.

Thanks to the continued support of Zarach's donors and partners, the family are now the proud owners of two sets of brand-new bunk beds, complete with pillows, duvets, bed clothing, pyjamas and the all-important toothbrush and toothpaste!

Dad reflects on how this has transformed their lives. "My little boy's a lot happier now that he's got a bed. He's so excited!"

Provision of family engagement support

From our warehouse in Leeds, which remained the predominant area of our activity during the year, the Family Engagement team undertook initial home visits to families referred to us. The purpose of these initial visits is twofold. First is to understand the sleeping arrangements the children need so an accurate order of the equipment required can be placed with our warehouse team. Second is to start to build a trusting relationship

with families and understand any unmet needs they might have that we can support with (directly or via signposting).

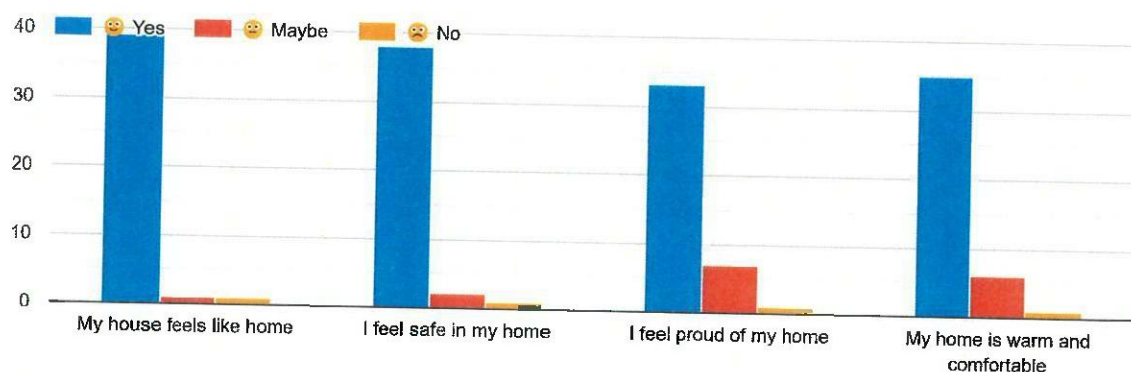
Developing partnerships with statutory and community service providers is a key enabler in the signposting support we can provide to families. For example, during the year we delivered our first Market Place event at the Leeds Food Club. This event saw services come to families in a safe and known environment, and families were able to walk around the Market Place to get information from a range of support services. From the delivery of this first event, the learning was taken to inform future activities of this kind.

The work of the Family Engagement team was a key enabler of the provision of the increased number of beds in the year. In addition, 388 emergency food parcels were delivered to families across Leeds and the Leeds-based Food Club continued to provide an average of 55 food boxes per week to families for a subsidised rate of £3.50 per week.

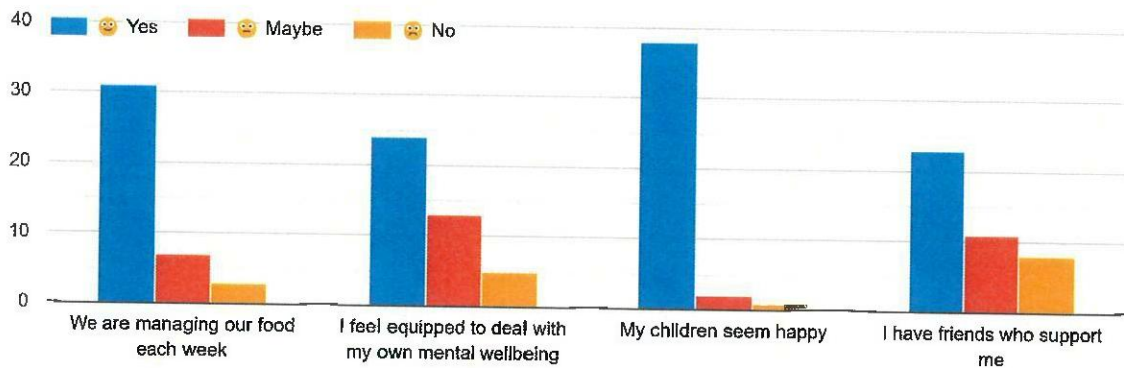
During school holidays, pupils who receive free school meals and are at risk of holiday hunger are invited to our Healthy Holidays activities. These activities are to support social connections in the community, keeping children engaged and active during school holidays and to help alleviate the costs of food whilst not at school. During the year we delivered nine sessions of Healthy Holiday activities, providing 675 hot, healthy meals to 127 individual children.

The following graphs represent feedback we received from families after our support. The information provided shows the positive impact we are making, whilst also helping us understand more about additional support families would benefit from:

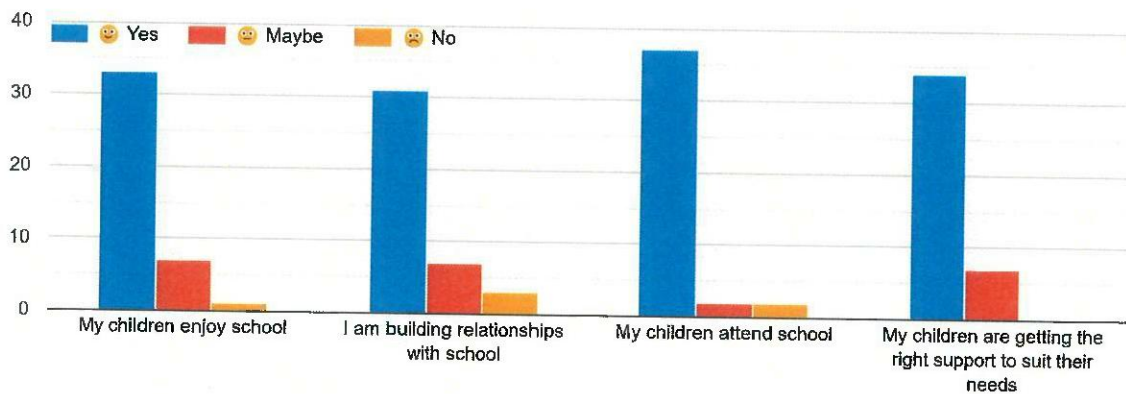
1) A Safe and Comfortable Home



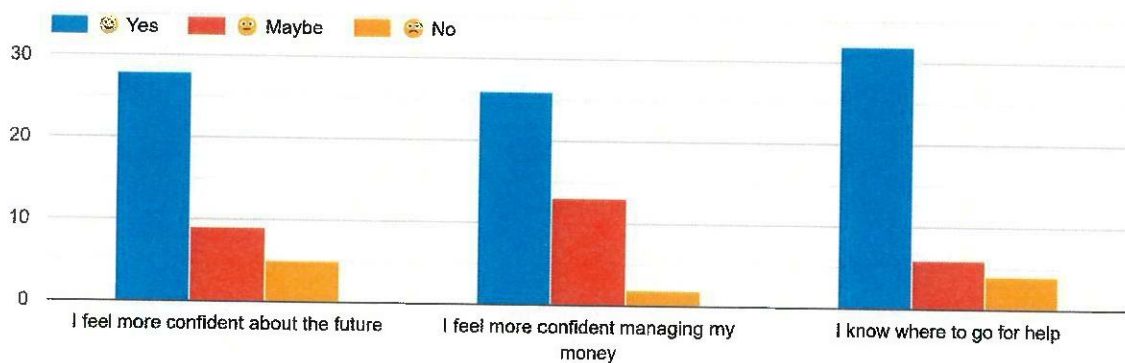
2) Mental and Physical Wellbeing



3) Thriving at School



4) Financial Wellbeing



Engagement with local and national influencing and awareness raising opportunities

The percentage of schools across Leeds that were signed up to refer into us increase from 51% to 71% in the year, because of our engagement efforts. This brought the number of schools in Leeds registered with us to 228.

A deputation was provided at a full council meeting in Leeds to gain their support to commit to Leeds becoming a bed poverty free city. The decision to support us was unanimous and led to many offers to meet with and provide support to us.

We are very fortunate that our mission has captured the attention of local and national media, providing us with a strong platform from which to raise awareness of how prevalent bed poverty is in our society, and for us to seek to influence policies and practices. During the year this included coverage from Good Morning Britain, BBC Look North, Yorkshire Post and BBC Breakfast.

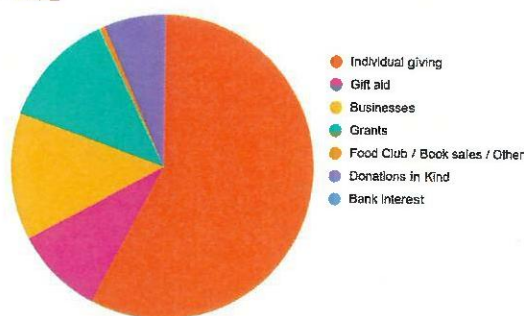
Our commitment to being collaborative has seen relationships develop with the leading national children's charities and movements, including the NSPCC and the End Child Poverty Coalition.

Income and Gifts in Kind

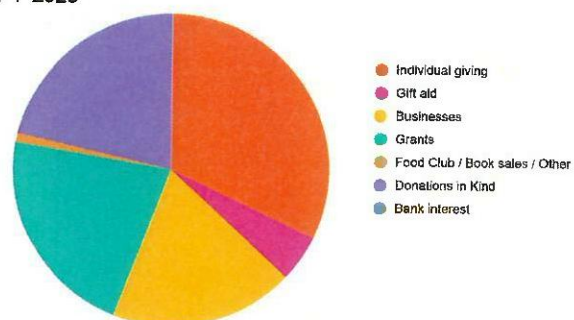
We would not be able to do our work without such wonderful support from individuals, community groups, businesses and funders providing us with the financial resources we require. In addition, the provision of Gifts in Kind that we also receive is a vital enabler.

The following pie charts show the mix of our income over the last two years. These pie charts are reflective of us still being a relatively young charity and a charity that has continued to experience significant year-on-year increases in activity.

FY 2022



FY 2023



More detailed narrative information relating to our income can be read later in this report and the full figures seen in our statutory accounts.

Volunteering

Alongside the vital financial resources required to do our work is the contribution that volunteers bring to Zarach, and for which we are immensely grateful. We provide a range of compelling volunteering opportunities for both regular and more ad-hoc volunteers.

In the year, 686 volunteering opportunities were completed by both individual and corporate volunteers, totalling 2744 hours. Based on the national minimum wage, the cost-in-kind value was £26,068. However, it is the ongoing relationships, connections and champions that are developed through volunteering that adds a value beyond the financial calculation.

The following table summarises the volunteering opportunities.

Department	Sub Department	Opportunity	Frequency
Family Engagement	Food	Food Club Volunteer	Weekly
	Families	Thrive Volunteer	Weekly
Service Delivery	Warehouse	Maintenance	Ad-Hoc
	Deliveries	Delivery Hand	3 Days Weekly
	Bed Bundles	Bundle Buddy	Bi-Weekly
Resources	Fundraising	Fundraiser	Ad-Hoc
	Advocacy	Public Speaking	Ad-Hoc
	Schools	Youth Council/D of E	Weekly
Projects	Campaigns	Christmas Appeal	Ad-Hoc
	Communities	Healthy Holidays	Non-Term Time
Hubs	Development	Fundraising/Advocacy	Ongoing
	Deliveries	Delivery Hands/Driver	Ongoing

Structure, governance and management

Governing document

The charity is governed by a constitution, as amended on 17th May 2022.

Legal status

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

Recruitment and appointment of new Trustees

The Trustees of the charity are appointed through a recruitment process agreed by the incumbent Trustees and subsequent vote of the Trustees, who are also the members of the charity.

The current recruitment process takes place through identifying skill sets from the volunteer group and from professional networks. Following on from an initial meeting with the Chair and Chief Executive, prospective Trustees are invited to attend and observe a board meeting. Observers will be asked to contribute so Trustees can understand the nature of contributions that can be offered. Based on agreement from the existing and prospective Trustees, an invitation is made to attend and observe a second meeting. It is following attendance at the second meeting that a vote of existing Trustees is held.

Key management remuneration

During the year, the Trustees decided to appoint a first Chief Executive Officer (CEO), to lead the charity in building a national presence in order to support more children and families across England. The CEO commenced their employment with Zarach on 29th May 2023.

During the year, the Trustees consider the Charity Manager and the CEO as the key management personnel of the charity, in charge of leading, directing and controlling the charity, and running and operating the charity on a day-to-day basis. Key delegated duties include (not exhaustive):

- Ensuring all support provided to children and families is in line with agreed safeguarding policies and procedures and that clear escalation practices are in place to keep children, families, staff, and volunteers safe.
- Implementation of agreed plans that make progress towards the achievement of the agreed social mission and vision. Such plans cover service delivery, HR, operations, communications, and fundraising.
- Leadership and management of the team so that the culture of the charity is in line with agreed values.
- Setting of and managing the charity's resources in line with agreed financial budgets and Financial Standing Orders.

During the year, an external recruitment agency was appointed to support the recruitment process for the new Chief Executive. The support brought experience of other similar recruitment campaigns to ensure that the job description and salary level was appropriate. Organisational job bandings and salary scales were also updated to reflect the new structure. Assessment of a) similar roles and b) similar seniority levels was undertaken to ensure the charity could attract and retain staff, that staff could have a

progression route through their job banding, and to ensure there was no imbalance of pay on grounds of gender.

All Trustees give their time on a voluntary basis and no Trustee remuneration was paid in the year.

Related party transactions

Details of Trustee's expenses and related party transactions are disclosed in notes 8 and 16 to the accounts.

Ethical fundraising

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

We voluntarily subscribe to the Fundraising Regulator and its Code of Fundraising Practice and during the year we were also a member of the Institute of Fundraising. All staff and volunteers engaging in fundraising activities are aware of and adhere to Charity Commission guidelines the Code of Fundraising Practice, which sets out statutory obligations and best practice standards.

During the year, we received no complaints in relation to our fundraising practices.

During the year, we did not use any third-party agencies for our fundraising activities.

Risks

Zarach has a Risk Register that is reviewed at each Trustee meeting, currently held on a quarterly basis. Each risk area is assessed on 'likelihood' and 'impact' and provided with a Red, Amber, Green (RAG) Rating. Actions are identified to manage risks, with a lead person named to oversee those actions.

Some of the key areas (not exhaustive) of risk that the Trustees consider are as follows:

Risk area	Mitigating actions
Providing safe services for the Zarach team and for children & families.	<ul style="list-style-type: none">Review, and update as required, the Safeguarding policy on an annual basis, or sooner if there are legal changes.

Risk area	Mitigating actions
	<ul style="list-style-type: none"> • All staff and volunteers to have the relevant level of DBS check at the point of appointment. • All staff and volunteers to have Safeguarding training in their first six-months of appointment. • All staff and volunteers to complete refresher Safeguarding training on a bi-annual basis. • Product & Service Delivery team and Family Engagement team to review their risk assessment document on an annual basis. • Product & Service Delivery team and Family Engagement team to implement their area specific safety training programmes.
Securing the financial and in-kind resources required to deliver our plans.	<ul style="list-style-type: none"> • Develop, implement, and regularly review the Funding & Communications action plans that cover how we generate financial and in-kind support. • Review financial reports on a regular basis to identify implications of over and under achieving on resources levels, making strategic realignment recommendations to the board, as required.
Good Governance.	<ul style="list-style-type: none"> • Follow agreed procedure for appointment of new Trustees. • Provide a good quality induction programme for all new Trustees. • Undertake an annual collective board appraisal of performance. • Complete a review of the Charity Code of Governance on a bi-annual basis. • Monitor progress in line with agreed board improvement and development plan. • Support Trustees to engage in individual and collective training opportunities.
Equality, Diversity & Inclusion.	<ul style="list-style-type: none"> • Develop and implement action plans to promote and progress EDI in our Trustee, staff and volunteer teams. • Produce an annual EDI progress report, including recommendations for continued improvement in this area.
Managing finances in line with agreed budgets.	<ul style="list-style-type: none"> • Set realistic budget that provides appropriate contingencies for

Risk area	Mitigating actions
	<p>operational flexibility within a context of change and growth.</p> <ul style="list-style-type: none"> • Review income & expenditure monthly • Report and re-forecast on a quarterly basis. • Ensure agreed Financial Standing Orders (FSOs) procedures are implemented. • Use the Strategy & Finance Committee and Board decision-making processes for the approval of additional costs that support achievement of our plans.
<p>Supporting our continual learning and improvement and the impact we have.</p>	<ul style="list-style-type: none"> • Design and oversee the implementation of the process and system to determine our social impact methodology, in line with our agreed measures, and supporting all stakeholders to understand their role in this part of our work. • Produce quarterly learning and recommendations reports to NLT and board. • Produce Annual Learning & Impact Report, as part of our statutory reporting process.

Financial review

During the year 22/23

Total income for the year was £1,314,862 (2022: £1,438,385) As per the pie charts above, we have received less Individual donations in the year and more Trust and Foundation grants. We have also received more gifts in kind, with a full year rent at our Leeds warehouse gifted, and an increase in bed bundle gifts to £116,933 (2022: £46,531).

Total expenditure for the year was £1,089,842 (2022: £566,861) The increase in expenditure is due to:

- Bed bundle product expenditure increased £255k, as expected with deliveries more than doubling in the year, from 1,294 in 21/22 to 2,633 in 22/23.
- Staffing expenditure increased by £129k, with our headcount increasing from 6 to 11. This is to ensure we have the right structure in place to operate safely and efficiently and to look at our strategy to meet our medium term aims. In the year, we have appointed a Chief Executive Officer, Family Engagement Manager, Warehouse & Logistics Manager and two Warehouse Operatives.
- Rent (gifted) increased £95k due to a full year in our current warehouse.

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 four months operational expenditure and have done so having regards to its manner of operation of likely funding streams. Based on the 2023 costs this would equate to £363,280. 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.

The charity's free reserves, excluding fixed assets, at the year-end were £1,104,728 (2022: £973,498). This exceeds the target level of reserves. In 2022/23 Zarach has doubled its everyday activity of bed deliveries in current locations whilst also continuing to work on developing its operational model to ensure it is ready to expand into other areas of England. This preparatory work has meant we have been unable to utilise the surplus free reserves this financial year.

The Board has approved an increased budget for the next 12 months, with expected spend to be £1.8m. This will mean our level of free reserves needed will be higher due to the scale of our activity. The budget will also utilise the excess free reserves we are holding above the current reserves policy. A detailed review of the reserves policy will also take place next financial year.

Plans for the year ahead

Towards the end of this year, and alongside the refreshed social mission, position statements and values, the Trustees approved a 2027 Vision and supporting measures that will help us understand the difference we are making.

Our 2027 Vision is: **by 2027 we will be working to end child bed poverty in England by providing 1000 beds per week, and family engagement, in areas of greatest need, using this platform of activity to influence change.**

The supporting measures that have been approved are as follows:

- Knowing the beds we have provided are being used by the children they were intended for, as an end to that family's child bed poverty for the years ahead.
- Understanding progress with a child's engagement at school across the year after the provision of the bed.
- Through our family engagement, providing support and completing onward referrals, based on the unmet needs of families.

- Understanding our contribution to positive progress for families because of our family engagement support.
- Conducting longitudinal studies with a selection of families to understand the longer-term difference our work has made and supporting how we continually improve in all we do.

The following are the guiding principles upon which we will base all our work:

- Being mission-driven and values-led in all that we do.
- Being safe for all.
- Delivering services and activities that are impactful in their contribution to our social mission.
- Providing high-quality products and services, so children and families know we value and respect them.
- Providing a consistent offer of service and support, no matter where it is delivered.
- Being a fit-for-purpose charity, and a good place to work and volunteer.
- Using the resources entrusted to us as diligently as possible.

Our Vision 2027 is a 4-year plan. By the end of our 2024-25 financial year (31st July 2025), we are working towards the following (not exhaustive):

Services to children and families

- Delivering 415 beds per week, and family engagement support, from:
 - Our West Yorkshire and Tees Valley warehouse models.
 - Existing hubs.
 - Two new hubs.
- Develop a comprehensive programme of policy, procedure, and training development for our commitment to best practices of safeguarding through a partnership with the NSPCC.
- Implementing our model of delivery that has significantly greater emphasis on supporting volunteering opportunities.
- Update the model of working with our existing hubs.

Financial and in-kind

- Establishing relationships with national and local bed manufacturers, suppliers and retailers that result in us achieving our Gifts-in-Kind and at-cost aims.
- Identifying suppliers for the associated items we provide (e.g. pillows, duvets, bed clothing, pyjamas etc.) and securing terms that provide greater value-for-money for donors than existing arrangements for these items.
- Implement our Funding & Communications plan that brings together our Zarach experiences, and wider sector knowledge, to focus on activities that will support our financial viability.

Operational

- Complete the move into our new West Yorkshire warehouse home.
- Design and implement an information capture, monitoring and evaluation system that integrates systems, provides a more effective and efficient way of working for our teams, and helps us gain greater learning and insights about our work and impact.
- Embedding our new arrangements for robust overall IT support.
- Identifying and implementing an electronic stock-control system across all our warehouse and hub activities.
- Complete a refreshment of our website to provide a place for greater communication, interaction and sharing of resources for all stakeholders.

Governance

- Hold a Trustee away day, using the Charity Governance Code to assess our current situation and create a board development plan for the year ahead.

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 situation 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 order of the board of trustees on 29th February 2024 and signed on its behalf by:

Signature:



Name:

REBEKAH WILSON

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 2023 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 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We 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, accrued income 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.

**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
West Yorkshire
LS15 8ZB

Date: *29th February 2021*

ZARACH

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations, grants and other	2	1,014,889	298,899	1,313,788	1,438,224
Investment income	3	1,074	-	1,074	161
Total		1,015,963	298,899	1,314,862	1,438,385
EXPENDITURE ON					
Raising funds	4	6,739	-	6,739	22,082
Charitable activities	5				
Cost to provide charitable activities		904,027	179,076	1,083,103	544,779
Total		910,766	179,076	1,089,842	566,861
NET INCOME		105,197	119,823	225,020	871,524
RECONCILIATION OF FUNDS					
Total funds brought forward		1,095,887	47,982	1,143,869	272,345
TOTAL FUNDS CARRIED FORWARD		1,201,084	167,805	1,368,889	1,143,869

The notes form part of these financial statements

ZARACH

BALANCE SHEET
31ST JULY 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	96,353	-	96,353	122,389
CURRENT ASSETS					
Stocks	12	64,434	-	64,434	25,009
Debtors	13	198,625	146,227	344,852	133,798
Cash at bank and in hand		855,655	21,581	877,236	897,894
		1,118,714	167,808	1,286,522	1,056,701
CREDITORS					
Amounts falling due within one year	14	(13,986)	-	(13,986)	(35,221)
NET CURRENT ASSETS		1,104,728	167,808	1,272,536	1,021,480
TOTAL ASSETS LESS CURRENT LIABILITIES		1,201,081	167,808	1,368,889	1,143,869
NET ASSETS		1,201,081	167,808	1,368,889	1,143,869
FUNDS	15				
Unrestricted funds				1,201,081	1,095,887
Restricted funds				167,808	47,982
TOTAL FUNDS				1,368,889	1,143,869

The financial statements were approved by the Board of Trustees and authorised for issue on 29/2/24 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 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(11,880)</u>	<u>725,802</u>
Net cash (used in)/provided by operating activities		<u>(11,880)</u>	<u>725,802</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,852)	(79,196)
Interest received		<u>1,074</u>	<u>161</u>
Net cash used in investing activities		<u>(8,778)</u>	<u>(79,035)</u>
Change in cash and cash equivalents in the reporting period		<u>(20,658)</u>	<u>646,767</u>
Cash and cash equivalents at the beginning of the reporting period		<u>897,894</u>	<u>251,127</u>
Cash and cash equivalents at the end of the reporting period		<u><u>877,236</u></u>	<u><u>897,894</u></u>

The notes form part of these financial statements

ZARACH

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2023**

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

	2023	2022
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	225,020	871,524
Adjustments for:		
Depreciation charges	35,888	10,540
Interest received	(1,074)	(161)
Increase in stocks	(39,425)	(25,009)
Increase in debtors	(211,054)	(133,798)
(Decrease)/increase in creditors	(21,235)	2,706
Net cash (used in)/provided by operations	<u>(11,880)</u>	<u>725,802</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/22	Cash flow	At 31/7/23
	£	£	£
Net cash			
Cash at bank and in hand	<u>897,894</u>	<u>(20,658)</u>	<u>877,236</u>
	<u>897,894</u>	<u>(20,658)</u>	<u>877,236</u>
Total	<u>897,894</u>	<u>(20,658)</u>	<u>877,236</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2023

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.

Gifts in kind are included in the SOFA at an amount which estimates their monetary value to the charity.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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, GRANTS AND OTHER

	2023	2022
	£	£
Donations	669,937	1,023,238
Gift aid	63,509	134,557
Grants (Trusts and Foundations)	287,330	177,255
Other income	11,848	8,943
Donations in kind (items provided to beneficiaries and facilities used by Charity)	281,164	94,231
	<u>1,313,788</u>	<u>1,438,224</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

2. DONATIONS, GRANTS AND OTHER - continued

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

	2023	2022
	£	£
BUPA Foundation	10,100	-
Local Care Partnership HATCH	1,500	-
Leeds Building Society Foundation	27,334	-
Leeds Community Foundation	9,946	-
MICE - Leeds City Council	4,150	-
The Barry and Peggy High Foundation	150,000	-
Voluntary Action Leeds	72,700	-
Leeds Christian Community Trust	11,600	4,000
C & E Sykes Food Club	-	5,000
Cash for Kids	-	2,100
Garfield Weston Foundation	-	30,000
Leeds City Council	-	64,400
Leeds Community Foundation - Jimbo's Fund	-	19,535
Leeds Community Foundation, Local Care Direct	-	9,946
National Lottery Community Fund	-	10,000
Mayor's Safer Communities Fund	-	5,896
Penny Appeal	-	10,000
WYNN Foundation	-	6,660
The Repper Charitable Foundation	-	500
Leeds Community Fund	-	368
The Openwork Foundation	-	250
Community Foundation in Wales	-	2,000
Other grants £1k or under	-	6,600
	<u>287,330</u>	<u>177,255</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Interest received	<u>1,074</u>	<u>161</u>

4. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Marketing	1,255	10,212
Development and funding admin	5,302	11,870
Events	79	-
Investment fee	<u>103</u>	-
	<u>6,739</u>	<u>22,082</u>

ZARACH

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST JULY 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Cost to provide charitable activities	<u>1,068,555</u>	<u>14,548</u>	<u>1,083,103</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Beds	356,539	157,993
Beds and mattresses in kind	84,706	23,053
Bedding, hygiene and pyjamas	28,407	28,376
Bedding, hygiene & pyjamas in kind	32,227	23,478
Opening stock	25,009	-
Closing stock	(64,434)	(25,009)
Food club and emergency food	51,619	35,032
Carpets, furniture, school uniforms & utilities	21,966	68,932
Carpets in kind	20,000	-
Staff costs	244,794	115,415
Freelance delivery driver	11,026	19,200
Volunteer costs	230	-
Hub set up and bursaries	8,827	-
Staff travel and meeting costs	7,254	4,563
Staff recruitment and training	21,204	-
Van fleet running and maintenance	8,012	8,479
Rent in kind	143,100	47,700
Warehouse costs	9,572	6,510
Insurance	7,012	3,050
Admin costs & small equipment	6,860	6,104
Processing fees	6,283	5,877
Events and activities	2,455	251
Depreciation	<u>35,888</u>	<u>10,540</u>
	<u>1,068,555</u>	<u>539,544</u>

7. SUPPORT COSTS

	Governance costs £
Cost to provide charitable activities	<u>14,548</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

7. SUPPORT COSTS - continued

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

	2023	2022
	Cost to provide charitable activities	Total activities
	£	£
Auditors' remuneration	10,580	4,000
Auditors' remuneration for non audit work	-	900
Professional fees	2,836	335
Legal advice in kind	1,132	-
	<u>14,548</u>	<u>5,235</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st July 2023 nor for the year ended 31st July 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st July 2023 nor for the year ended 31st July 2022.

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	227,097	104,570
Social security costs	12,255	8,499
Other pension costs	5,442	2,346
	<u>244,794</u>	<u>115,415</u>

The charity considers its key management personnel (in addition to the Board of Trustees) to be the Charity Manager and the Chief Executive. The total remuneration (including employer pension contributions) of the key management personnel was £56,977 (2022: £35,706).

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

	2023	2022
	<u>11</u>	<u>6</u>

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

The full time equivalent is 9 (2022: 4).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations, grants and other	1,242,934	195,290	1,438,224
Investment income	<u>161</u>	<u>-</u>	<u>161</u>
Total	<u>1,243,095</u>	<u>195,290</u>	<u>1,438,385</u>
EXPENDITURE ON			
Raising funds	20,504	1,578	22,082
Charitable activities			
Cost to provide charitable activities	<u>351,251</u>	<u>193,528</u>	<u>544,779</u>
Total	<u>371,755</u>	<u>195,106</u>	<u>566,861</u>
NET INCOME	871,340	184	871,524
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>224,548</u>	<u>47,797</u>	<u>272,345</u>
TOTAL FUNDS CARRIED FORWARD	<u>1,095,888</u>	<u>47,981</u>	<u>1,143,869</u>

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st August 2022	5,859	5,631	129,107	140,597
Additions	<u>4,774</u>	<u>3,314</u>	<u>1,764</u>	<u>9,852</u>
At 31st July 2023	<u>10,633</u>	<u>8,945</u>	<u>130,871</u>	<u>150,449</u>
DEPRECIATION				
At 1st August 2022	123	1,006	17,079	18,208
Charge for year	<u>1,810</u>	<u>1,434</u>	<u>32,644</u>	<u>35,888</u>
At 31st July 2023	<u>1,933</u>	<u>2,440</u>	<u>49,723</u>	<u>54,096</u>
NET BOOK VALUE				
At 31st July 2023	<u>8,700</u>	<u>6,505</u>	<u>81,148</u>	<u>96,353</u>
At 31st July 2022	<u>5,736</u>	<u>4,625</u>	<u>112,028</u>	<u>122,389</u>

All fixed assets are used for charitable activities.

ZARACH**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023****12. STOCKS**

	2023	2022
	£	£
Stocks	<u>64,434</u>	<u>25,009</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Gift aid recoverable	181,392	133,548
Other debtors	-	250
Prepayments and accrued income	<u>163,460</u>	<u>-</u>
	<u>344,852</u>	<u>133,798</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Creditors in the ordinary course of activities	1,298	-
Capital creditor	-	30,321
Accruals and deferred income	<u>12,688</u>	<u>4,900</u>
	<u>13,986</u>	<u>35,221</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

15. MOVEMENT IN FUNDS

	At 1/8/22 £	Net movement in funds £	At 31/7/23 £
Unrestricted funds			
General fund	1,092,876	108,205	1,201,081
Romford (DUR)	3,011	(3,011)	-
	<u>1,095,887</u>	<u>105,194</u>	<u>1,201,081</u>
Restricted funds			
C & E Sykes Food Club	789	(789)	-
Garfield Weston Foundation	4,054	(4,054)	-
HSF (DWP)	10,735	(10,735)	-
Leeds Community Foundation - Jimbo's Fund	13,023	(13,023)	-
Leeds Community Foundation, Local Care District	3,315	-	3,315
National Lottery Community Fund	4,155	(4,155)	-
Safer Communities	5,896	(5,896)	-
School Uniforms	1,208	2,973	4,181
Food Club	786	(786)	-
LCCT Food Club	310	(310)	-
LCCT Food Pantry	3,000	(3,000)	-
Voluntary Action HSF	(1,950)	1,950	-
Carpets	2,661	(2,661)	-
LCCT	-	2,227	2,227
Voluntary Action HSF 2023	-	44,000	44,000
BUPA Foundation	-	4,989	4,989
LCP Hatch Grant	-	612	612
Leeds Building Society Foundation	-	7,434	7,434
The Barry and Peggy High Foundation	-	100,000	100,000
John Lewis - Stockport Container	-	1,050	1,050
	<u>47,982</u>	<u>119,826</u>	<u>167,808</u>
TOTAL FUNDS	<u>1,143,869</u>	<u>225,020</u>	<u>1,368,889</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

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	1,015,617	(907,412)	108,205
Romford (DUR)	<u>346</u>	<u>(3,357)</u>	<u>(3,011)</u>
	1,015,963	(910,769)	105,194
Restricted funds			
C & E Sykes Food Club	-	(789)	(789)
Garfield Weston Foundation	-	(4,054)	(4,054)
HSF (DWP)	-	(10,735)	(10,735)
Leeds Community Foundation - Jimbo's Fund	-	(13,023)	(13,023)
Leeds Community Foundation, Local Care District	9,946	(9,946)	-
National Lottery Community Fund	-	(4,155)	(4,155)
Safer Communities	-	(5,896)	(5,896)
School Uniforms	3,000	(27)	2,973
Food Club	20	(806)	(786)
LCCT Food Club	5,000	(5,310)	(310)
LCCT Food Pantry	-	(3,000)	(3,000)
Voluntary Action HSF	8,700	(6,750)	1,950
Carpets	-	(2,661)	(2,661)
LCCT	6,600	(4,373)	2,227
Voluntary Action HSF 2023	64,000	(20,000)	44,000
BUPA Foundation	10,100	(5,111)	4,989
LCP Hatch Grant	1,500	(888)	612
Leeds Building Society Foundation	27,333	(19,899)	7,434
The Barry and Peggy High Foundation	150,000	(50,000)	100,000
John Lewis - Stockport Container	1,050	-	1,050
Winter Warmers	2,500	(2,500)	-
MICE - Leeds City Council	4,150	(4,150)	-
Yorkshire Charity Bed Bundles	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
	298,899	(179,073)	119,826
TOTAL FUNDS	<u><u>1,314,862</u></u>	<u><u>(1,089,842)</u></u>	<u><u>225,020</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

15. MOVEMENT IN FUNDS - continued

Comparatives for 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
Leeds Community Foundation - Jimbo's Fund	-	13,023	13,023
Leeds Community Foundation, Local Care District	-	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 2023

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,237,198	(367,063)	870,135
Romford (DUR)	<u>5,897</u>	<u>(4,693)</u>	<u>1,204</u>
	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
Leeds Community Foundation - Jimbo's Fund	19,535	(6,512)	13,023
Leeds Community Foundation, Local Care District	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	<u>18,896</u>	<u>(34,495)</u>	<u>(15,599)</u>
	<u>195,290</u>	<u>(195,105)</u>	<u>185</u>
TOTAL FUNDS	<u><u>1,438,385</u></u>	<u><u>(566,861)</u></u>	<u><u>871,524</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2023

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, food, utilities)
Leeds Community Foundation - Jimbo's Fund	-Towards Support Worker salaries
Leeds Community Foundation, LocalCare District	-Local Care Direct Health & Wellbeing Fund towards Family Engagement and Charity Manager salaries until November 2023
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
Longleigh Foundation	-Towards costs of the Project Co-ordinator, freelance delivery driver, development support and storage.
Carpets	-Towards costs of purchasing carpets.
LCCT	-Towards running a Food Pantry and emergency food
Voluntary Action HSF 2023	-DWP Household Support Funding towards essential items
BUFA Foundation	-Towards healthy holidays
LCP Hatch Grant	-Towards running a Food Pantry
Leeds Building Society Foundation	-Towards costs of the Family Engagement Manager and carpet purchases
Peggy High	-Towards cost of purchasing beds.
John Lewis - Stockport Container	-Towards container for the Stockport hub
Winter Warmers	-Two corporate donations for Winter Appeal
MICE - Leeds City Council	-Towards cost of purchasing beds.
Yorkshire Charity Bed Bundles	-Towards cost of purchasing beds.

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 £6,450 (2022: £19,200) were paid to Mark Cohen, father of trustee Rebekah Wilson, for work done as a freelance delivery driver delivering goods to beneficiaries.

Mark Cohen was also paid remuneration of £21,494 (2022: £nil) within the year as an employee of the charity.

Personal trustee donations for the year amounted to £150 (2022: £nil). The trustees provide their time to the charity at no cost.

ZARACH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations, grants and other		
Donations		
Gift aid	669,937	1,023,238
Grants (Trusts and Foundations)	63,509	134,557
Other income	287,330	177,255
Donations in kind (items provided to beneficiaries and facilities used by Charity)	11,848	8,943
	<u>281,164</u>	<u>94,231</u>
	1,313,788	1,438,224
Investment income		
Interest received	<u>1,074</u>	<u>161</u>
Total incoming resources	1,314,862	1,438,385
EXPENDITURE		
Raising donations and legacies		
Marketing	1,255	10,212
Development and funding admin	5,302	11,870
Events	79	-
Investment fee	<u>103</u>	<u>-</u>
	6,739	22,082
Charitable activities		
Wages	227,097	104,570
Social security	12,255	8,499
Pensions	5,442	2,346
Insurance	7,012	3,050
Beds	356,641	157,993
Bedding, hygiene and pyjamas	28,407	28,376
Food club and emergency food	51,619	35,032
Freelance delivery driver	11,026	19,200
Van fleet running and maintenance	8,012	8,479
Carpets, furniture, school uniforms & utilities	21,966	68,932
Events and activities	2,455	251
Rent in kind	143,100	47,700
Admin costs & small equipment	6,860	6,104
Staff recruitment and training	21,204	-
Warehouse costs	9,572	6,510
Processing fees	6,283	5,877
Hub set up and bursaries	8,827	-
Staff travel and meeting costs	7,254	4,563
Volunteer costs	230	-
Opening stock	25,009	-
Closing stock	(64,434)	(25,009)
Beds and mattresses in kind	84,603	23,053
Carried forward	980,440	505,526

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ZARACH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST JULY 2023**

	2023 £	2022 £
Charitable activities		
Brought forward	980,440	505,526
Bedding, hygiene & pyjamas in kind	32,227	23,478
Carpets in kind	20,000	-
Depreciation	<u>35,888</u>	<u>10,540</u>
	1,068,555	539,544
Support costs		
Governance costs		
Auditors' remuneration	10,580	4,000
Auditors' remuneration for non audit work	-	900
Professional fees	2,836	335
Legal advice in kind	<u>1,132</u>	<u>-</u>
	14,548	5,235
Total resources expended	<u>1,089,842</u>	<u>566,861</u>
Net income	<u>225,020</u>	<u>871,524</u>

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