

zzZerach

The Children's Bed Charity



ANNUAL REPORT

2023/24



Registered with
FUNDRAISING
REGULATOR

Charity number: 1179539

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REFERENCE & ADMINISTRATIVE DETAILS

For year ending 31st July 2024

Trustees:	D Stubbs (Resigned 22/04/24) R Wilson G Green S Beevers J Pearson (Appointed 30/11/23, Resigned 01/06/24) M Barkley (Appointed 01/01/24)
Chief Executive:	Andy Peers
Principal Address:	8, Whitehouse Street Hunslet Leeds LS10 1AD
Registered Charity Number:	1179539
Auditors:	Thomas Coombs Limited Statutory Auditor Chartered Accountants 3365 The Pentagon, Century Way Thorpe Park, Leeds West Yorkshire, LS15 8ZB
Bankers:	Lloyds Bank plc 25 Gresham Street London, EC2V 7HN Virgin Money 177 Bothwell Street Glasgow, G2 7ER

Investment Manager:

Andrews Gwynne LLP
Aquilifer House
2 Kelso Road, Leeds
West Yorkshire, LS2 9PW

Legal Advisors:

Weightmans LLP
No1 Whitehall Riverside
Whitehall Road, Leeds, LS1 4BN

The Trustees of Zarach present their report with the financial statements of the charity for the year ended 31st July 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 st January 2019).

JENNY'S* STORY

In August 2024, Jenny's employer contacted Zarach, concerned for her and her three young children. During a long shift at the hospital, Jenny shared that she'd had to move house due to an infestation of cockroaches and bed bugs in her rented home. After several ignored requests to the landlord for fumigation, she had no choice but to leave. **The cost of the move, and Jenny's financial situation left her unable to afford essential household items, including beds for her children, resulting in the whole family sharing one double bed.**

Our Family Engagement Officer, Anna, visited Jenny's new home two days later to help establish how we could best help. **Jenny shared that their sleeping arrangements had affected both hers and her children's quality of sleep, and their well-being.** Anna was able to confirm that Zarach could deliver three brand new beds for their home, whilst also signposting the family to local support with other furniture. **The children were overjoyed to have their own beds and expressed gratitude towards the charity whilst rummaging through the new bed sheets, duvets and pyjamas that had been delivered.** Jenny, who had been feeling overwhelmed and emotionally drained, was **able to relax knowing that her children now had a proper place to sleep,** which would help them grow physically and emotionally, providing the opportunity for a bedtime routine in time for their return to school in September.

After our visit, Jenny's supervisor contacted us to thank Zarach for helping. She says, **"I got a response within seconds! They visited my friend and agreed they could help. Three beds were provided for the girls in their new home, along with quilts, pillows and new pyjamas for them, meaning they were able to enjoy a good night's sleep in their new beds before school restarted".**

Jenny has seen a positive shift in the overall well-being of her family. With proper sleeping arrangements, her children are more comfortable at home, and Jenny feels less stressed knowing that her children's needs are being met.

JENNY'S* STORY

The support from the charity has made a significant difference in Jenny's life and the lives of her children. **By providing the beds and bundles, Zarach has helped alleviate the stress that comes with financial hardship.** Jenny is now more confident in managing her family's needs and feels encouraged to continue her efforts as a dedicated healthcare worker in the NHS, knowing that support is available when needed. By addressing immediate needs like adequate sleeping arrangements, **Zarach can have a lasting and positive impact on families, removing barriers to education and breaking the cycle of poverty.**

*Jenny's name has been changed to protect anonymity.

OBJECTIVE, MISSION, VALUES & PRINCIPLES

The objectives of the charity 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.

The charity has a social mission statement, which is used internally and externally, as the way to represent the purpose and work of the charity, and which forms the basis upon which decisions and plans are made. 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 how we go about the pursuit of our social mission, the following position statements are used:

- **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 on a child and their family.
- **Engaging:** providing a bed alone won't end child bed poverty. 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. Our family engagement 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's mission is not needed anymore because child bed poverty has been ended. 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 also working for an end of any form of child poverty.

In the pursuit of our mission, our values exist to guide the way that we strive to be in all our interactions with each other (our staff and volunteers), children and families, our school referrers, all supporters and the broad range of partners and stakeholders we engage with. Our values can be found overleaf.

Aspirational

- 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.

Respectful

- 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.

Collaborative

- 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.

Open

- 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.

Our **Guiding Principles** complete the framework that we use to develop our work and aid decision-making, and these are:

- Being mission-drive 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.

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 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 beds 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 and signposting to local statutory and community services,



Leeds-based projects including subsidised food provision to families in immediate area in which we are located and Health Holiday activities



Engagement with national and local influencing and awareness raising opportunities.

PROVISION OF BEDS TO CHILDREN IN CHILD BED POVERTY

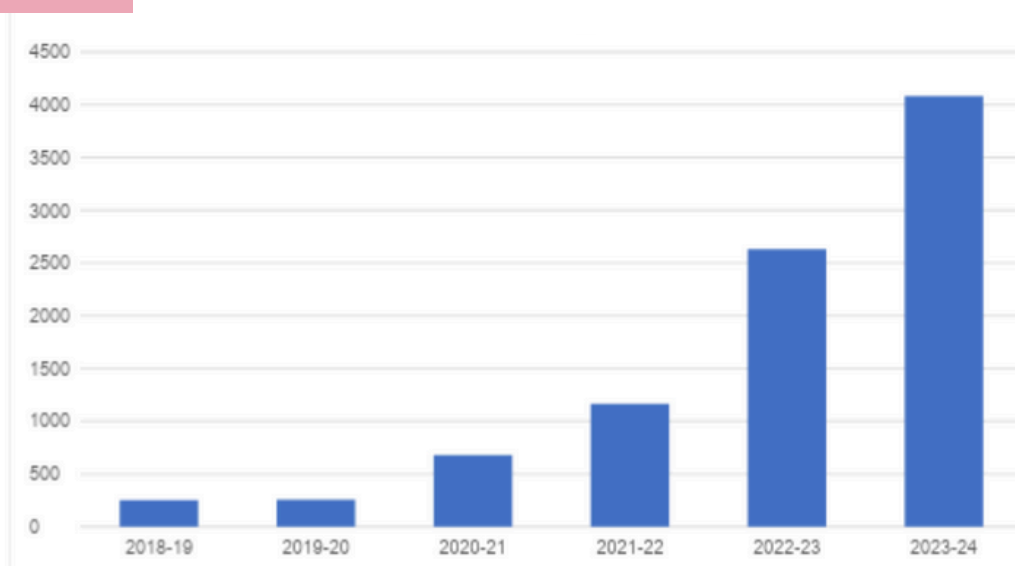
In the 23/24 period, at 4085, we delivered a further year-on-year increase in bed bundles, across an increased geographical spread:

Table 1

Month	2023-24	Leeds	Kirklees	Calderdale	Bradford	Hartlepool	Stockton	Stockport	Liverpool	Stoke	Romford
Aug 23	170	112	24	6	0	0	0	13	3	0	12
Sep 23	256	181	29	21	0	0	0	7	5	0	13
Oct 23	288	206	40	19	0	0	0	12	5	0	6
Nov 23	374	252	40	27	0	0	0	22	13	0	20
Dec 23	601	179	54	73	219	0	0	11	48	6	11
Jan 24	310	179	44	50	0	0	0	8	9	2	18
Feb 24	306	149	48	34	0	0	0	15	34	16	10
Mar 24	354	182	62	12	0	0	0	12	33	34	19
Apr 24	243	134	48	15	0	0	0	6	12	23	5
May 24	402	201	42	18	41	0	0	8	34	37	21
Jun 24	349	116	51	16	48	10	13	3	34	40	18
Jul 24	432	156	29	16	69	32	23	13	51	22	21
Total	4085	2047	511	307	377	42	36	130	281	180	174

The following graph shows our activity levels since we were incorporated as a charity in August 2018:

Table 2 Zarach Beds Delivered by Financial Year



Since our incorporation as a charity, in August 2018, the total number of bed bundles we have delivered to the end of the year this report relates to is 9,068. At the time of writing this report, we have now surpassed the delivery of our 10,000th bed, a milestone that was picked up by local and national media.

Alongside the number of beds delivered, we are also able to estimate the number of children this means we have supported to be lifted out of bed poverty. For example, if there are three children in a home, all sharing the same bed, we may only need to provide two new bed frames and mattresses to ensure that all children have their own bed. This means that the third child has also been lifted out of bed poverty and, as part of our charitable nature, we do also provide the third child with the bundle items of new pillow, duvet, bed clothing and pyjamas. At the end of the year, we estimate that the total number of children lifted out of bed poverty is just over 12,200 in respect of the 9,067 beds delivered.

Achieving these numbers is bittersweet. We are proud of the hard work we, and so many partners and supporters, put in to reaching the children and families that need us, and we do despair that since 2017 the estimated number of children living in bed poverty in the UK has increased from 400,000 to around 900,000. But we also want to see an end to child bed poverty, and indeed, all forms of child poverty. This is why our vision is to reach more children but to them be a voice and champion for those children, and their families, to positively influence policies and practices that can reduce and eradicate child bed poverty.

Table 1, above, reflects our continued work to reach more children in bed poverty in more areas, through both our newly defined Regional Warehouse model and local hub partnerships. Since the introduction of our updated monitoring forms, we now have an activity mix where 60% of our work is outside of the Leeds area. Our 2024 Christmas Appeal set a goal of delivering 500 beds in time for Christmas. Two key elements of this appeal were to ensure our local hub partners were able to fully engage in the appeal and for us to start having a presence in Bradford, where, unfortunately, child poverty levels are over 40%. The appeal was supported by The Independent newspaper, culminating in us being their front page story on Christmas Day and with us surpassing 600 beds delivered (compared to 190 the previous year). Hubs surpassed the activity goals we agreed with them and Bradford became the area of highest delivery activity over this period.

During the year, and after extensive partnership development with schools, businesses and many other organisations, we started working in the Tees Valley. In line with our vision – of working in areas of greatest need – child poverty levels in this region are well above the national average, and where we estimate there being more than 11,500 children experiencing bed poverty. Our work started with a focus on Hartlepool and Stockton-on-Tees, where we have been very well supported, resulting in media coverage by the Guardian/Observer newspapers. At the time of writing this report, we continue to build up our activity and team capacity in the area and are looking at reaching other urban areas of the region, including Middlesbrough.

THE CHILDREN AND FAMILIES WE SUPPORT

During the year, we developed our new National Referral Model, which was supported by the production of a video for schools and a series of training webinars. The video link is below.



<https://www.dropbox.com/sc/fi/ib8nrItsopb14i17qijf/Zarach-School-Referral-Process-240426.mp4?rlkey=q1lqf3wzt2sora6y8gpvjra9t&dl=0>

From the referral forms we receive we have been able to understand more about the situations families and children are facing. This helps us continually understand how to better serve those we support and improve all that we do. The following is some of the key information we know about the children and families we support.

Schools are asked to provide information to help us understand if there are any specific reasons that have led to making a referral at this time. From the responses received (in the diagram below) we understand that the following are the main reasons:

The mental health and emotional wellbeing of one, or more of the adults in the home.

Debt concerns.

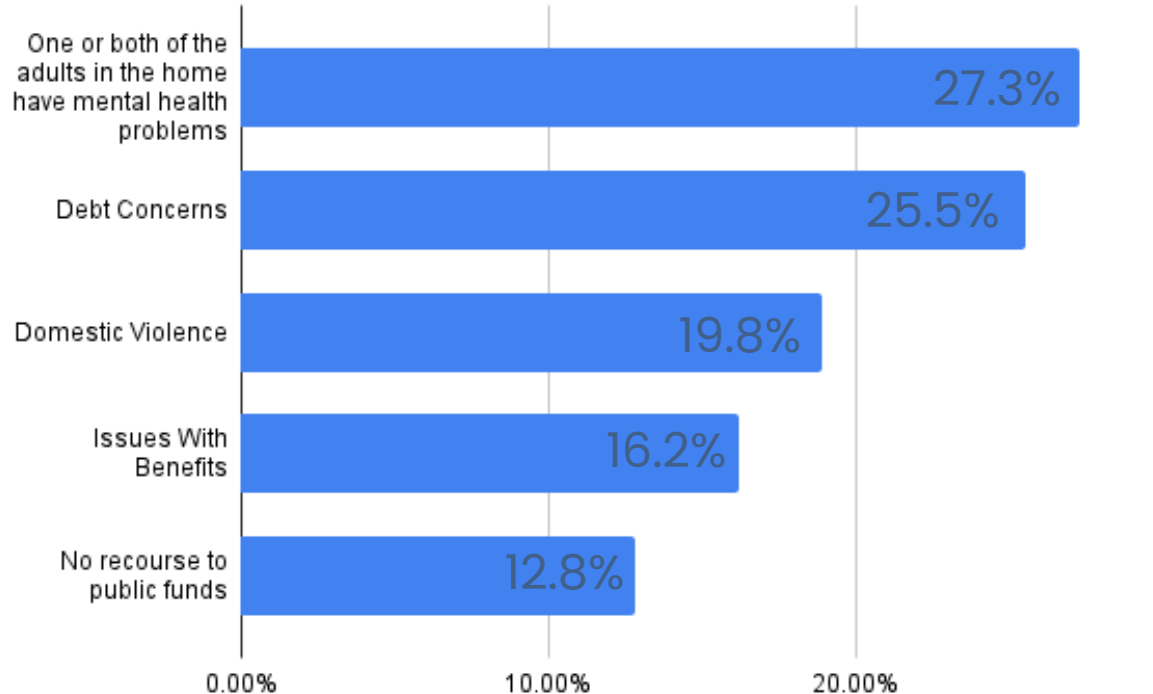
Domestic abuse.

Issues with benefits.

No access to public funds.

Table 3

'What has led the family to this time of crisis?'



We know that around **45% of the first children in the families we support have an ethnicity other than White British**. We also know that, after English, the top four most preferred languages are Romanian, Urdu, Arabic and Punjabi. Therefore, we have continued to engage with a translation company throughout the year to support both us and families with any language and communication barriers. The translation company has also delivered a session to our team on the topic of Cultural Humility so that we become more aware of cultural differences and requirements and respond appropriately.

Table 4

Child 1: Ethnicity



Table 5

If English is not the primary language, which is preferred?

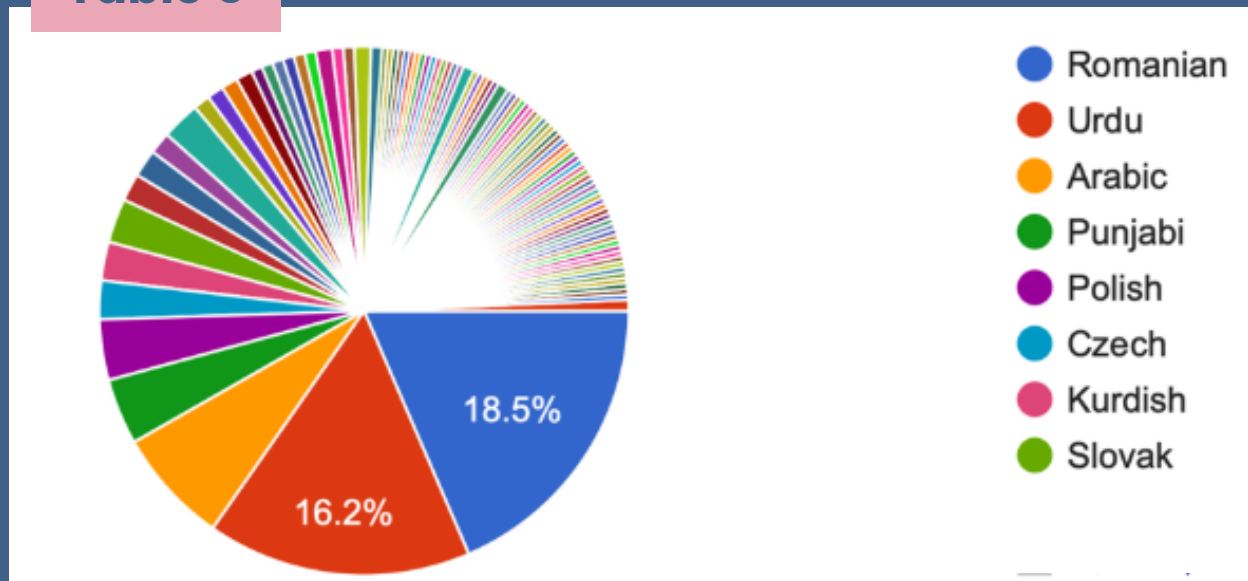
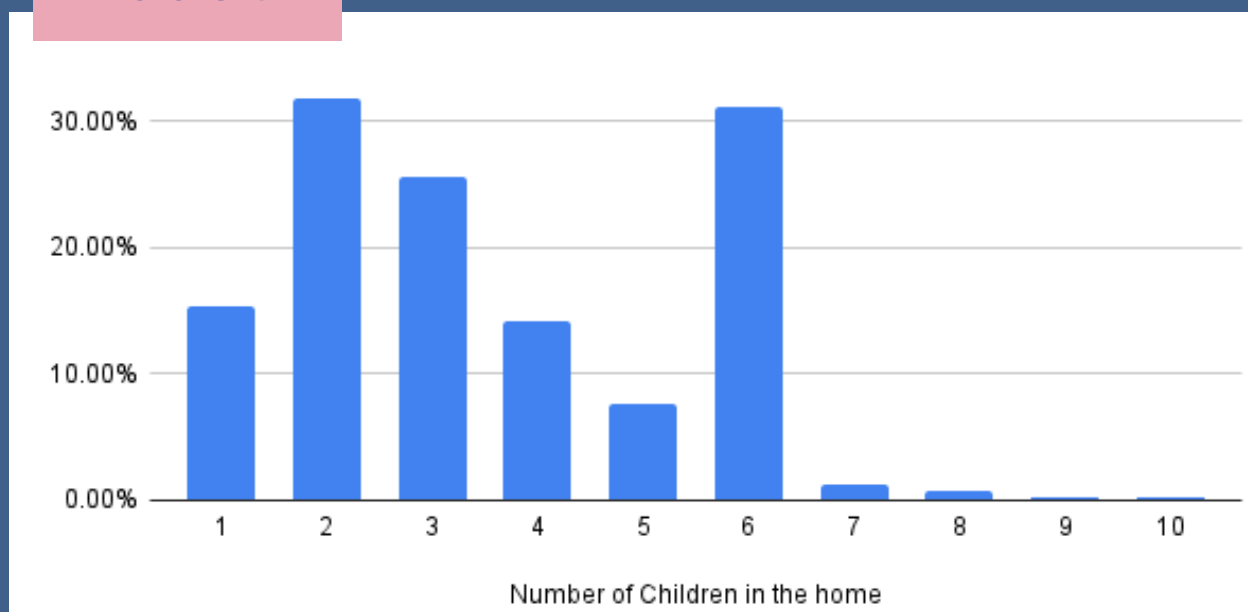


Table 6

'How many children in total live in this household?'



Just over 50% of the families we support have three or more children, compared to the national average of 15% of families. This information helps us understand that we may encounter families in financial difficulties (for example, if they are impacted by the two-child limit on child benefits) and overcrowded homes. The information also helps us consider how many referrals we might be able to receive from schools to then deliver the number of beds we have the budget to provide.

It is from information, such as that above, that can help us focus on building relationships with statutory and community service providers that families might need the most.

PRODUCT & SERVICE DELIVERY

During the year, we invested in our Product & Service Delivery team through the creation of a new West Yorkshire Regional Manager role, alongside maintaining the two officer roles. We also identified a new warehouse property and, at the time of writing this report, we have now relocated into the property. Our new premises, affectionately named 'The Zed Shed', provide us with security of location for the years ahead, as well as a vastly improved working environment for staff and volunteers.

As a charity, we don't seek to be more commercial in our work with the children and families we support. For example, we only deliver beds during the hours of 10am-2pm, to support parents and carers being able to get their children to and from school and to avoid causing disruption by delivering beds at bedtime.

Our focus on being the most efficient we can be is in our behind-the-scenes operations. During the year, we have made good progress in the development of relationships with the bed industry. We are incredibly fortunate to have several high-profile bed manufacturers who donate products to us, and we have relationships with other suppliers who offer us low, or at-cost, arrangements plus a donated amount on top. During the year, the decision has been made to move to the provision of bed frames, rather than divan bases. This is for three reasons: the space constraints within the family homes we visit; being able to achieve better costs; and being able to increase the number of beds we can deliver per van load.

All this work has helped keep the core cost of the bed bundle we provide close to the £150 mark – a strong achievement considering the high levels of inflation over recent years – and in us being more cost efficient in use of vehicles.

A key development that commenced during the year and has been concluded at the time of writing this report, is our relocation from the Mabgate premises to our new location, in Hunslet, Leeds. Alongside improved warehousing and ancillary space, our new home has significantly better and more space from which staff and volunteers can work from and meet, and from which we can now host a wide range of small and larger meetings.

FAMILY ENGAGEMENT

Understandably, the early years at Zarach have focused on getting bed bundles to children. Therefore, we spent considerable time, in the second half of the year, reviewing our model – and particularly the Family Engagement component – to ensure it was safe-for-all and scalable. Within this, we partnered with the NSPCC in the development of updated safeguarding policies and procedures, which have now been rolled-out.

Our Family Engagement support is the first contact many schools will have with us, via the process of registration and making referrals. Our team will contact families that have been referred to us and, in West Yorkshire and Tees Valley, we will conduct a visit to the family home. During the visit, we want to understand how we can best support the family in getting the most suitable sleeping arrangements for their children – this is our First Promise to families.

During the home visit, we ask families about other aspects of their lives that they may be struggling with. Where there is no existing support plan in place for the family (e.g. with social services or school), we agree to a small series of follow-on actions that can help the family take positive, and practical, steps forward. At all times, we encourage the family to progress and complete the actions themselves, with us supporting this where required.

A feature of our Family Engagement model are the marketplace events we hold. We invite families who have received bed bundles from us to a daytime event where there are a number of statutory and community support providers present. The make-up of the agencies that are asked to be present reflect the themes of support we identify with families during our interactions with them. The marketplaces enable families to engage with several services they may need all in one place. We have delivered marketplace events in Leeds and are taking this idea to other areas in which we work, with an event planned in for Bradford in early 2025.

As with our Product & Service Delivery team, we have been able to invest in building the capacity in our Family Engagement team too. We appointed to the new role of West Yorkshire Family Engagement Manager and two Family Engagement Officers for this region. With starting work in the Tees Valley during the year, we also appointed a Tees Valley Family Engagement Manager.

BECOMING A NATIONALLY PRESENT CHARITY

During the year, national development work has been very focused on our medium-term vision of **lifting 1000 children per week out of bed poverty, in areas of greatest need**, using this activity as a platform to influence change. This has been reflected in the following activities:

- Being a significant contributor to the shaping and embedding of the new model of support to children and families.
- Supporting our increased reach and presence across all five districts of West Yorkshire.
- Leading on the development and launch of our work in the Tees Valley, where child poverty levels are, unfortunately, high.
- Leading in the ongoing relationships and support to the local hubs.
- Leading on conversations with key partners in other areas of the country where there is a high need for our work.

We developed valuable data-driven information that enabled us to understand where the areas of greatest need are using census information, End Child Poverty Coalition statistics and findings from Barnardo's 2023 report, No Crib for a Bed. This information has allowed us to enter national development conversations on an objective basis, recognising where our model can be both most effective and efficient.

In the year we saw the launch of two new hubs – Liverpool and Stoke, and they delivered 281 and 180 bed bundles respectively. The full breakdown of bed deliveries by area is included in Table 1, earlier in this report.

Our development across West Yorkshire, into the Tees Valley and across existing and new local hubs has been reflected in 48% of beds being delivered outside of the Leeds district. In no way has our commitment to Leeds diminished, rather it is the increased awareness of child bed poverty, continued media coverage, good reputation and investment of the funds entrusted to us that has enabled us to reach into new areas.

MAKING A POSITIVE DIFFERENCE

No one that we speak to questions whether sleep is good or that children should have beds to help them get good sleep. Nor does anyone question the benefits to a child's social and educational development of engaging at school and that education is one of the key ways to help break the cycle of poverty. What people do have a right to question is whether, beyond the emotional connection, the Zarach model is the model to support. As a result of the in-depth review of our model in the second half of the year, we have been gathering valuable information that helps us understand the nature of the families we support and whether our work is making a difference.

ANYA'S* STORY

Almost 20% of the referrals we receive are for victims of domestic violence. Parents who have fled an abusive partner, often without any of their belongings, to start over again.

Anya and her four children were referred to us by their school. After a long period of experiencing domestic violence, they fled to a family member's house, where **their only option was to sleep together on the floor on makeshift beds.** With children ranging in age from five to sixteen, it was important for Anya to create a stable and safe environment. After a number of weeks, Anya was offered a new property, but after receiving the keys, it was clear **the house wasn't liveable, unsafe even.** The house was in a house poor condition, with many of the previous tenant's belongings left behind, all over the floor.

It felt like just another hurdle for Anya, but **she was determined to give her children the home she knew they needed.** With some help from her grandparents, they spent the next days clearing out the house. During our home visit, not only were we able to arrange to deliver new beds and bundle items, including new bed sheets and pyjamas, but we could also signpost Anya to services in the city who could help with other furniture and white goods.



"We had our delivery today and I just want to say a huge thank you to you and the team. This has really cheered up the kids too and they can start to see a home coming together for us now. I spent the week grafting to clear out the children's rooms to give them a safe place and this was just the icing on the cake!"



Anya's name has been changed to protect her anonymity.



The following information comes from the feedback forms we receive from schools at least one month after we have provided beds to the children and/or support to the family.

Table 7

Has receiving a bed from Zarach had a positive effect on the life of the child(ren) you referred?

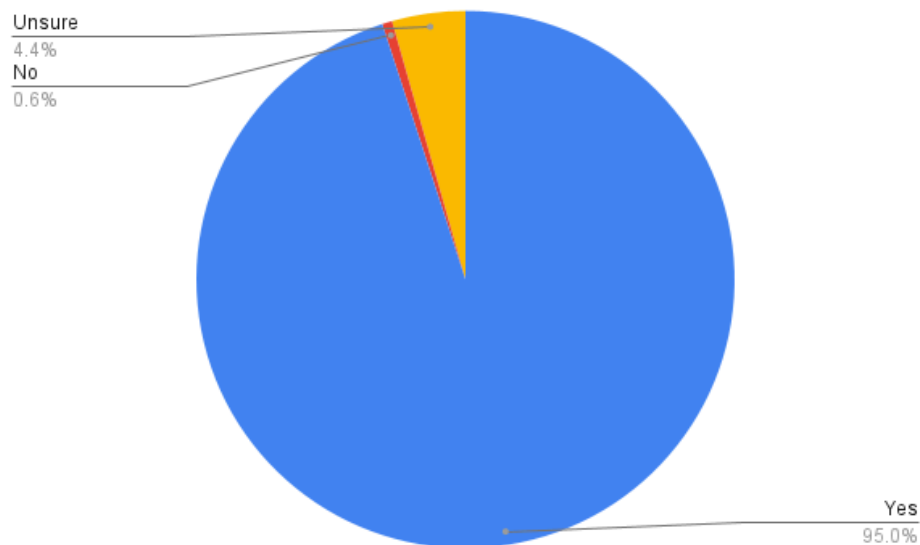


Table 8

Please tick improvements for the child(ren) that apply.

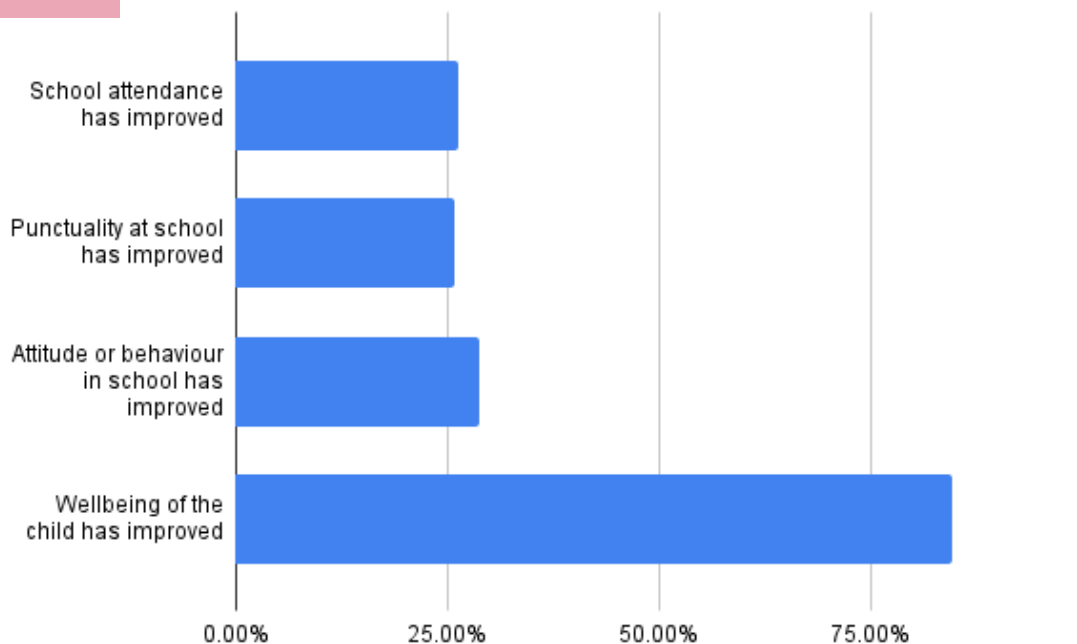


Table 9

Please tick any improvements made for the family as a whole as a result of Zarach involvement

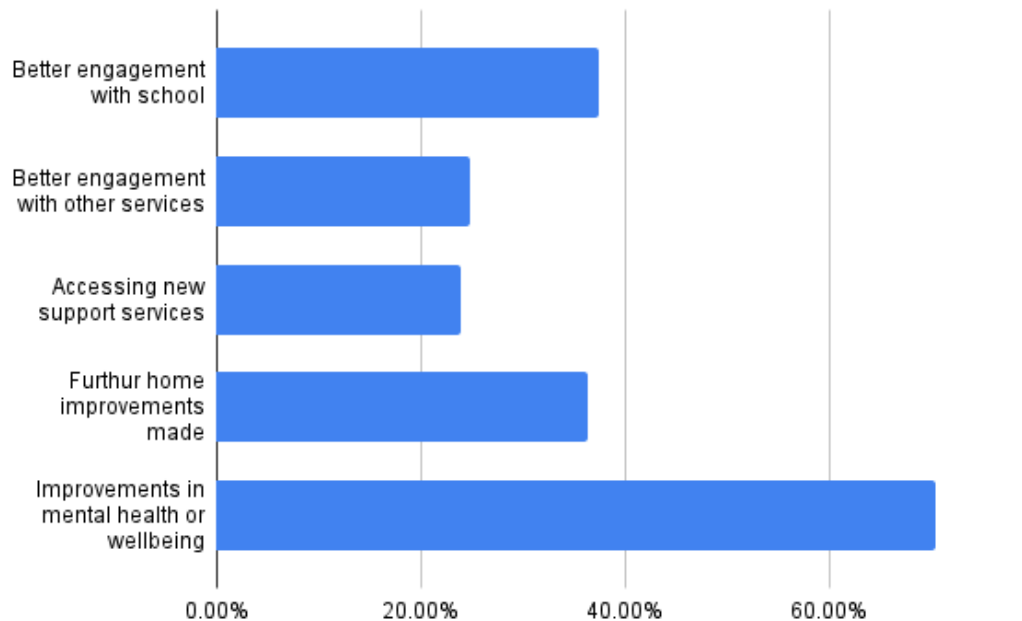
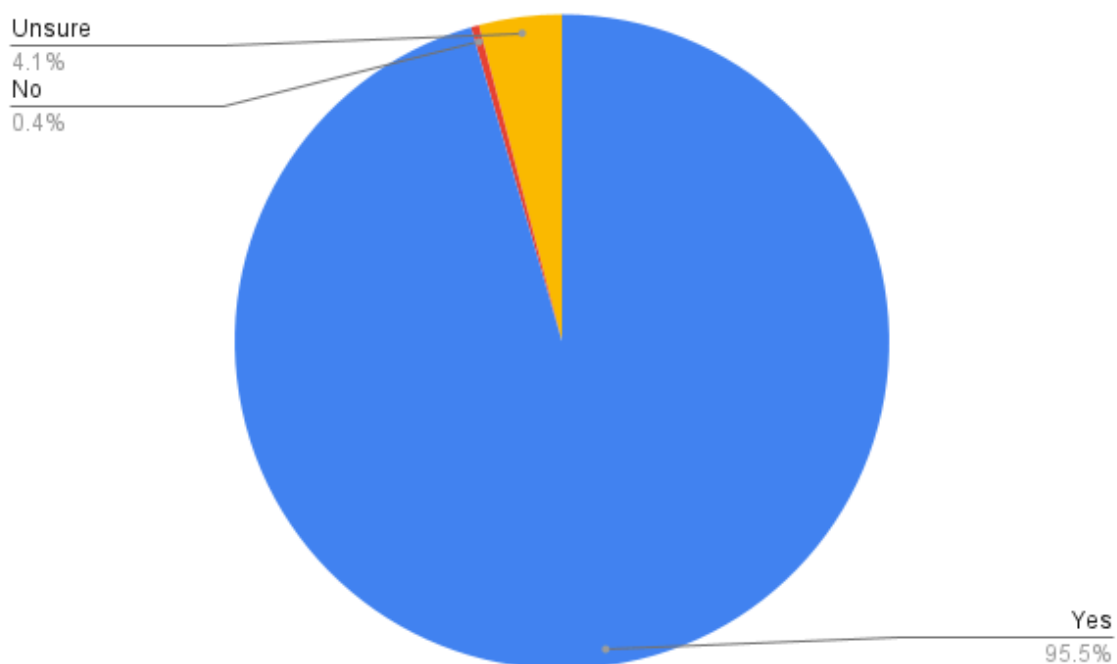


Table 10

Has being a Zarach Registered Referrer had a positive effect on your school as a whole?



The following information comes from the feedback forms that we receive from families, based on a series of before and after questions.

Table 11

'Yes' responses received to questions	Before response	After response
My house felt like a home	50.1%	90.2%
My children seem happy	66%	94.7%
My children enjoyed school	78.8%	87.9%
My children are getting the right support to suit their needs	67.4%	81.8%
I am confident about the future	36.4%	65.2%

BUILDING A MOVEMENT: STAFF & VOLUNTEERS

We don't get to do our work without the dedication, experience and skills of our staff and volunteers.

During the year, the trustees approved a budget that, alongside increasing the number of beds that we would be able to deliver, supported an investment of reserves into both frontline and key infrastructure roles. During the year we had an average of 14 staff, at a Full Time Equivalent (FTE) of 11.7. Alongside the frontline service delivery roles, we appointed to roles within Finance & Operations, Volunteering Development and Funding & Communications.

The model we have developed, that will support us in reaching more children in more parts of the country, is based on being volunteer led in our service delivery. We believe in building a movement by supporting people to engage in voluntary endeavour. We also recognise that such an approach will help us be an effective charity whilst also being as cost efficient as possible.

Volunteering In More Detail

During the year, we have been very fortunate to have had the support of **42 regular volunteers and 272 corporate volunteers**. The total number of volunteering hours was **3416 across eight different opportunities**:

- Bed deliveries.
- Making up bed bundles during the Christmas Appeal period.
- Family Engagement.
- Supporting Marketplace events.
- Food Club.
- Happy Holidays family activities in school holidays.
- School engagement (e.g. delivering presentations at assemblies).
- Fundraising activities and attending events.

Calculating the financial value of volunteers is a very simplistic way of gauging the real impact that volunteers make on our work at Zarach. However, it does give an instant snapshot of how vital they are to us. By multiplying the total volunteering hours by both minimum and median wage levels, the financial values are:

- **Minimum wage (£10.42 for 2023) = £35,594.72.**
- **Median wage (£17.48 for 2023) = £59,711.68.**

Beyond the financial value, our volunteers bring joy, enthusiasm, skills and vibrancy to our daily working environment and they act with great care and compassion towards the children and families we support alive. Our volunteers are powerful champions of Zarach's mission and values, regularly talking about us to others and making many connections from across their networks.

The work being done by our new Volunteer Development Officer will continue to strengthen our recruitment, onboarding and ongoing training and support for volunteers. We want our existing volunteers to feel truly valued for the contributions they make, whilst bringing on more volunteers in an expanding variety of roles.

GARY'S VOLUNTEERING JOURNEY

"The first time I heard about Zarach, and its work to end child bed poverty, was after a request to provide a reference for a good friend and colleague who was joining the volunteer team. I was intrigued and newly retired, and after a little research, **I submitted my application the same day.**

I'd worked in education for 42 years, and with two children of my own, I really wanted to give my time to a charity aligned with my passions and experience. From the first interaction, **I learned more about Zarach and the devastating circumstances so many children were living in, in the city I lived in.**

On my first shift I was shown, amongst other things, how to lift a mattress safely and patiently given step-by-step guidance on making a delivery. **This was no baptism of fire, and I had no feeling of having to hit the ground running.** Whilst I knew that Mark, and subsequently other colleagues like Paul, Elaine and Scott were more experienced and knowledgeable than I was, I was not conscious of any hierarchy. **We're team mates, working together, doing a valuable job but, at same time, enjoying our time together."**

"For the last 3 years, I've supported the incredible team who make bed deliveries, and have left every shift, feeling appreciated, valued and fulfilled. I volunteer every couple of weeks, and weekly when needed, which is my way of contributing to the amazing work the charity does – as a result of our efforts, some children will have a much better night's sleep than they may have had the night before. If we were to deliver just one bed only in a day, (and we deliver many more than this) this is an impact well worth making."

Gary Chambers – Service Delivery Volunteer

VOLUNTEERING & GOVERNANCE

As with most charities, volunteering contributions are evident in our governance, with all Zarach's Trustees offering their time, skills, experience and dedication to the wellbeing and development of the charity on a voluntary basis.

The year saw the trustees make some bold decisions and realise the impact of decisions made in the previous financial year. This reporting year was the first full year of having a Chief Executive, and this brings with it a renewed dynamic between the trustees and the small staff team. The trustees approved the refreshed mission, values and vision and then supported a substantial drawdown from unrestricted reserves to support delivering more beds and to invest in the skills and capacity required to pursue the agreed plan and ensure that all we do is fit-for-purpose.

The trustees have been committed to their own team refreshment and development. There have been some resignations and appointments during the year and the trustees held their first away day, which focused on the recognised Governance Code for the charitable sector and a resulting development plan. The trustees were joined by the leadership team for part of the away day to focus on building good relationships at this level. At the time of writing this report, work is continuing in the focused recruitment of additional trustees to develop the diversity, skills and experience mix of the board.

At the time of writing this report, Rob Hall has been appointed as a trustee (21st January 2025). Rob is an ICAEW candidate and brings a wealth of private sector financial experience to our board. Alongside this appointment, efforts continue to develop the diversity, skills and experience mix of the board team.

SUPPORTER ENGAGEMENT: FUNDING & COMMUNICATION

Over the six years since Zarach was incorporated as a charity, we have been privileged to continually receive positive media coverage – across TV, radio, print and social channels – and on a local, regional and national level. We do place considerable effort into our social media activity and physically attending events to raise awareness and support to help us engage with a range of audiences.

This intensive and ongoing body of work has resulted in support from individuals, schools, community groups, businesses and grant-making charities, and is reflected in us having a good mix of income and resources.

During the year, a key example of the media coverage was in the Independent's support for our 2023 Christmas Appeal. This was our first attempt at a national fundraising appeal, and we set a goal of wanting to deliver 500 beds to children in the run up to Christmas (previous year was 189). Along with our communications work, the Independent delivered numerous activities to raise awareness of the appeal, we surpassed delivering 600 beds and more than doubled the income target required to deliver those 500 beds. This culminated in us being the Independent's front-page story on their Christmas Day edition.

One way we can look at the support we are building is in the number of followers we have across our social media platforms. At the time of writing this report, we have:

- Over 6,200 followers on Instagram.
- Over 26,000 on Facebook.
- Over 2,000 on LinkedIn.

In the year, we commissioned an agency to work with us on a brand refresh and development of an updated website. Not to be a vanity project, the purpose of having a new website was to deliver on our values of being aspirational, collaborative and open, providing an enhanced way for people to find out more about us (such as being able to see trustees and staff information and download our accounts). The new website is also to be an improved way for supporters and stakeholders to engage with us. At the time of writing this report, the first stages of the new website are live, and we will be adding in analysis of interactions with the website to the above social media information.

Along with the continued media coverage, we are maturing in our behind-the-scenes work to ensure that we can embrace the 'spikes' in incoming interest from the coverage, with robust and sustainable practices to build strong, long-lasting relationships with those who choose to support us. We have worked hard on the integrity of the supporter data we hold and in the way we initially thank new supporters in a timely manner and then in our ongoing engagement. We must never take for granted the humbling support that people give to us, and we are already seeing that the better engagement is welcomed and leads to repeated support.

In addition to the strong support we receive from the bed industry, we are privileged to receive support from a notable number of businesses that support us financially, with volunteering and in the provision of pro-bono services. This support is sometimes shown through us being a business' nominated Charity of the Year. During the year we concluded some of these, usually, multi-year arrangements and welcomed being chosen by several new businesses too.

FINANCE & OPERATIONS

Public trust in charities has remained stable for the last few years and Zarach will never be complacent about how important this is to maintain, both for us and across the wider charitable sector.

During the year, we invested in our financial management team, processes and systems to continually improve the accuracy, quality, depth and breadth and reporting of this information. Zarach's trustees have confidence in the robustness of our financial management and how the information provided helps them in meeting their responsibilities and decision-making.

During the year we reviewed our HR and volunteering policies and procedures; established a comprehensive IT support package, including ongoing training to ensure vigilance to cyber-attacks; and selected a preferred provider to support us in the development of our core database.

Earlier in this report we provided information about how important the contribution of volunteers is to our mission. Towards the end of the reporting year, we appointed a Volunteer Development Officer as recognition of the dedicated focus this part of our work requires. At the time of writing this report, the work on creating good recruitment, onboarding, training and ongoing support and recognition processes and practices are all underway and will support us in the continued growth of the volunteering team through a broader range of volunteering opportunities.

SPENDING SPLITS

We know there is a careful balance to be struck between the amount of money we spend on frontline service delivery and on other costs.

During the year, for every pound received, 72% was spent on direct service delivery costs and 28% on the range of supporting costs that support the frontline work, help raise funds and ensure we are fit-for-purpose. Due to the still relatively young age of Zarach, the development requirements, and the desire to provide beds and support to more children in bed poverty, we are satisfied with this split in cost allocations (when compared with suggested guidelines by the Charity Commission and independent evaluation parameters at 65%–85%).

STRUCTURE, GOVERNANCE & MANAGEMENT

GOVERNING DOCUMENT

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

LEGAL STATEMENT

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 required on the board from across the volunteer group and professional networks. Initial meetings will take place with potential trustees, held by either/or the Chair or the Chief Executive.

Prospective trustees are then invited to attend and observe two board meetings. Observers will be asked to contribute at these meetings so trustees can understand the nature of contributions that can be offered and an alignment with the values of the charity. It is following the attendance at the second meeting that a vote of existing trustees is held to decide whether, or not, to appoint.

KEY MANAGEMENT REMUNERATION

During the year, the trustees consider the Chief Executive as the key management personnel of the charity, responsible for 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 agreed social mission and vision. Such plans cover service delivery, HR, operations, communications, fundraising and finance.
- Leadership and management of the team so the culture of the charity is in line with agreed values.
- Setting and managing the charity's resources in line with agreed financial budgets and Financial Standing Orders.

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

RELATED PARTY TRANSACTION

Details of trustee's expenses and related party transactions are disclosed in notes 7 and 17 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 we are also a member of the Chartered Institute of Fundraising (CIOF). All staff and volunteers engaging in fundraising activities are aware of and adhere to Charity Commission guidelines in 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.

RISK

Zarach has a Risk Register that is reviewed at each trustee meeting, currently held on a bi-monthly basis. Each risk area is considered on 'likelihood' and 'impact' and given a score and a Red, Amber, Green (RAG) rating. Changes in scores or ratings are brought to trustees attention in a covering paper that accompanies the updated register. Mitigating actions are identified, with a lead role to oversee those actions.

The following table represents the key risk areas that the trustees consider, with a summary of the mitigating actions.

Risk area	Key mitigating actions
<p>Providing safe services for the Zarach team and the children and families we support.</p>	<p>Annual review, and updating as required, of the Safeguarding policy, procedures and practices. 100% compliance with all staff and volunteer onboarding requirements. 100% compliance with completing all training requirements during the probationary period.</p>

Risk area	Key mitigating actions
	<p>Hold quarterly Safeguarding meeting to bring governance and operational learning and improvement together.</p>
<p>Continuity of our service provision and supporting operations.</p>	<ul style="list-style-type: none"> • Implement business continuity plan, covering warehouses and home-working arrangements. • Review plan on an annual basis to ensure it remains suitable in the context of expanded operations and geographical locations. • 100% compliance with all required IT policies, procedures, practices and training.
<p>Securing the resources (financial and in-kind) required to deliver our plans in the pursuit of our social mission.</p>	<ul style="list-style-type: none"> • Implement the agreed annual fundraising calendar that supports the achievement of budgets. • Review financial information: <ul style="list-style-type: none"> ◦ Monthly leadership team meetings. ◦ Bi-monthly board meetings. ◦ Quarterly Finance & Funding meetings. • Continual development of supporter information to improve impact of fundraising activities and maintaining of supporter relationships. • Implement plan for the development of relationships with the bed industry to increase levels of donated bed bundle products.

Risk area	Key mitigating actions
Good governance of the charity.	<ul style="list-style-type: none"> • Follow agreed recruitment and onboarding process. • Undertake collective annual review of board performance and development. • Complete a bi-annual review of the Governance Code and monitor progress of the resulting action plan. • Support trustee engagement in individual and collective training opportunities.
Having a representative governance, staff and volunteer team.	<ul style="list-style-type: none"> • Develop, implement and review plans to promote and progress EDI in our trustee, staff and volunteer teams. • Produce annual progress report with recommendations for continued development.
Developing and retaining a highly capable, mission-driven and values-led staff and volunteer team.	<ul style="list-style-type: none"> • Conduct annual staff and volunteer satisfaction surveys, communicate results and implement the resulting action plan. • Ensure fulfilment of the required supervision and annual appraisal programme to support staff engagement, progress with plans and development. • Follow recruitment policies to appoint people who have both the competencies and cultural fit to help us pursue our mission and live out our values.

Risk area	Key mitigating actions
	<ul style="list-style-type: none"> • Implement policy review calendar to keep HR policies and procedures compliant with required legislation and up to date with best practice.
<p>Embedding a culture of continual learning and improvement to understand and develop the impact we have.</p>	<ul style="list-style-type: none"> • Review existing methods of information gathering and evaluation to understand the impact of our model and where ongoing improvement can be made for children, families and schools. • Produce three learning and recommendations reports to the leadership and board teams each year. • Produce learning and impact information as part of our year-end reporting process.
<p>Managing finances in line with agreed budgets.</p>	<ul style="list-style-type: none"> • Leadership team to review income and expenditure on a monthly basis. • Produce bi-monthly finance reports for board meetings. • Ensure agreed financial policies and procedures are implemented. • Use the quarterly finance meetings to discuss outside-of-budget requirements to make recommendations to the board.

Risk area	Key mitigating actions
<p>Cyber-attacks and breach of data integrity.</p>	<ul style="list-style-type: none"> • Implement agreed package of IT systems and processes support with external provider. • Implement cyber-attack monitoring software on the agreed scheduled basis with external provider. • Ensure completion of the ongoing training programme for all staff and identified volunteers. • Achieve and maintain Cyber Essentials accreditation. • Implement Data Protection compliance plan.

FINANCIAL REVIEW

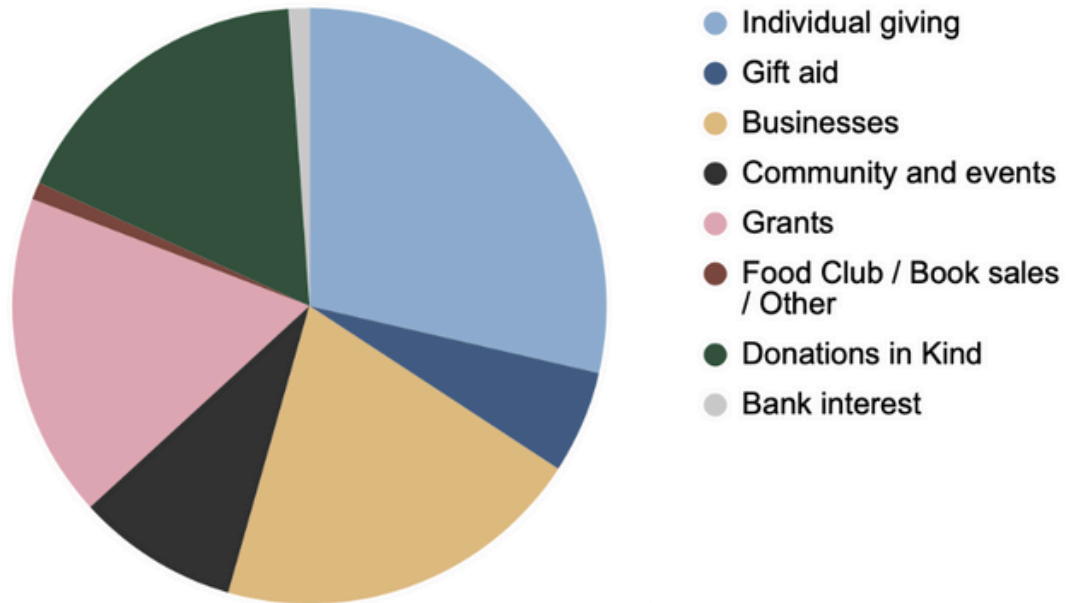
DURING THE YEAR 2023-24

Total income for the year was £1,408,914 (2022-23: £1,314,862). Total expenditure for the year was £1,679,403 (2022-23: £1,089,842). The deficit position for the year reflects the decision of the trustees to draw down from the high level of unrestricted reserves that were being held to support an increase in our bed delivery activity and development of our infrastructure.

We are a fundraising charity (rather than being a commissioned or trading charity) and the core strategic principle that underpins our sustainability as we pursue our social mission is that of building a diverse range of income and resources. The following pie chart illustrates that diversity during the year.

Table 12

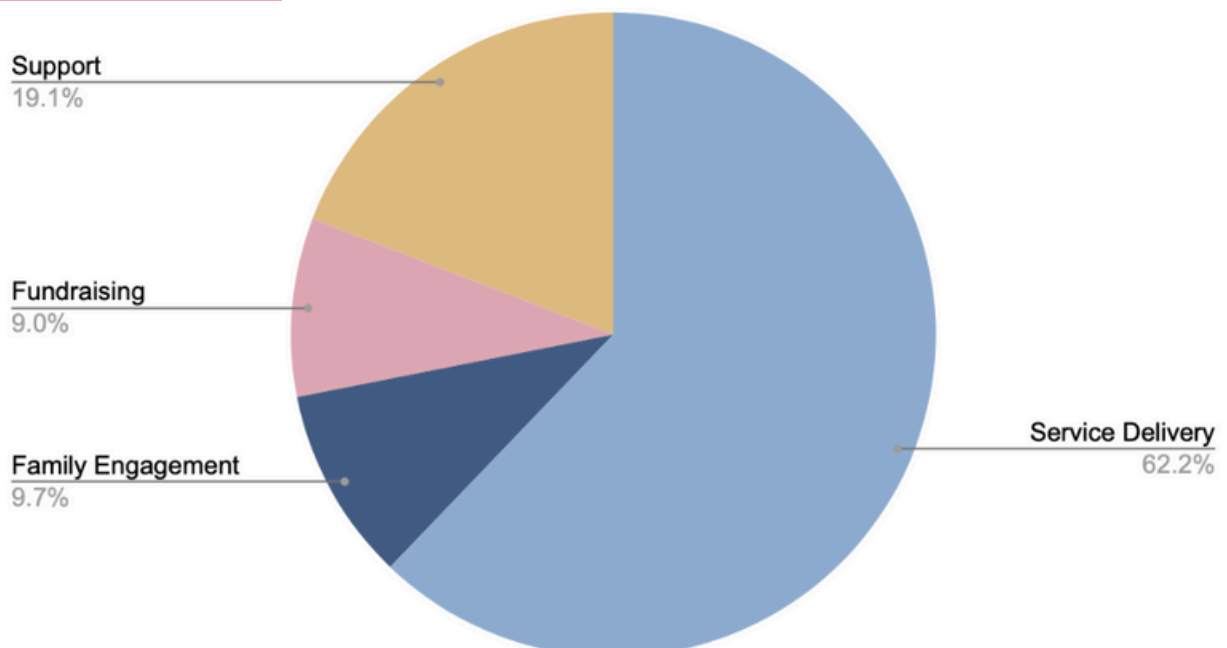
Income 2023/4



Whilst utilising a portion of our reserves during the year, we are mindful of the mix in our spending between direct service delivery costs and the supporting costs. During the year, we achieved a mix of 72% of expenditure being on direct service delivery costs and 28% on supporting costs. The following pie chart illustrates the breakdown of this.

Table 13

Expenditure 2023/4



During the year the trustees made the decision to utilise the portion of free reserves that had previously been identified for potential investment purposes due to the very high rate of inflation at that time. During the year the net gain from the limited investment activity was £4,272 and at the time of writing this report, due to reduced inflation rates, all funds identified for potential investment have now been placed into a range of bank accounts via the Charities Aid Foundation platform, therefore ceasing any investment activity.

RESERVES POLICY

In the trustees' view, the reserves should provide the charity with adequate financial resources and 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 equivalent to four months operational expenditure, excluding gifts-in-kind, and have done so having regards to its manner of operation of likely funding streams. Based on 2023-24 costs, this would equate to a reserves level of £479,596. The trustees review the level of reserves, on a bi-monthly basis, that are required to ensure that they are adequate to fulfil the charity's continuing obligations.

The charity's free reserves, excluding fixed assets, at the year-end were £698,902. This takes into account the post year commitment on the lease of our new warehouse and office premises of £156,000. The decrease in our free reserves is as planned for, to ensure our funds are being used towards our mission and in a considered and sustainable way.

The trustees have approved an increased budget for the next 12-months, with total spend, excluding gifts-in-kind, of £1.88m. This will mean our level of free reserves, to meet our policy, will need to be higher than in this reporting period, at £628k.

The reserves policy will continue to be reviewed on an annual basis.

PLANS FOR THE YEAR AHEAD

This reporting year has been a time in which we have seen a continued increase in the delivery of beds. This has been accompanied by a deliberate focus on building up an appropriate infrastructure (people, processes, systems and environment) to give us good foundations for how we safely reach more children in bed poverty, across more geographical areas, via a high-quality service and fit-for-purpose charity.

In the coming year we will continue to focus on an increase in the number of beds we deliver with the ongoing embedding of the required practices that will help us be a good, impactful and more efficient charity as we scale up.

Our medium-term vision continues to reflect our goal of reaching more children and across a wider geographical area. **Our vision is: to be lifting 1000 children per week out of bed poverty, in areas of greatest need, using this activity to influence change.**

In the year ahead our main priorities are:

- Further embedding of our regional model across West Yorkshire and the Tees Valley.
- Supporting our local hubs to continue having a meaningful presence in their areas.
- Continue to progress the development discussions and partnerships in areas of need already identified.
- Continue to develop and improve the engagement we have with our existing and new supporters, so they join us in our mission for the longer-term.
- Further develop our relationship with the bed industry to increase levels of donated products received, better costs on purchased items and improved quality assurance.
- Continue to develop our identified database, and systems integration, so that access to information is more coherent, stored safely, creates more efficient ways of working and helps us improve our services and raise awareness of our work.
- Intentionally increase our work to influence positive policy and practice change that will help reduce and eradicate child (bed) poverty.

- Increasing the capacity, skills and experiences, and associated systems and tools, in our fundraising team to secure the levels of income and resources required to help us pursue our mission and vision.

STATEMENT OF TRUSTEES' RESPONSIBILITY

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with the 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 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 appropriate 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 6th March 2025 and signed on its behalf by:

Signature: 

Name: Rebekah Wilson

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2024

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

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 2024 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 2024 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.

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.

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

Date: **6th March 2025**

Statement Of Financial Activities

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST JULY 2024

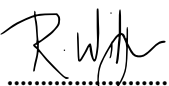
	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and grants	2	1,142,948	236,619	1,379,567	1,301,940
Charitable activities		9,641	-	9,641	10,129
Other income		12,328	-	12,328	1,719
Investment income	3	7,378	-	7,378	1,074
Total		1,172,295	236,619	1,408,914	1,314,862
EXPENDITURE ON					
Raising funds	4	241,833	-	241,833	108,040
Charitable activities	5	1,210,152	227,418	1,437,570	981,802
Total		1,451,985	227,418	1,679,403	1,089,842
Net gain on investment		4,272	-	4,272	-
NET INCOME / (EXPENDITURE)		(275,418)	9,201	(266,217)	225,020
RECONCILIATION OF FUNDS					
Total funds brought forward		1,201,084	167,805	1,368,889	1,143,869
TOTAL FUNDS CARRIED FORWARD		925,666	177,006	1,102,672	1,368,889

Balance Sheet

31st July 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	<u>70,764</u>	<u>-</u>	<u>70,764</u>	<u>96,353</u>
		70,764	-	70,764	96,353
CURRENT ASSETS					
Stocks	11	108,312	-	108,312	64,434
Debtors	12	168,737	50,000	218,737	344,852
Short term deposits		401,974	-	401,974	-
Investments	13	105,177	-	105,177	-
Cash at bank and in hand		<u>143,177</u>	<u>127,006</u>	<u>270,183</u>	<u>877,236</u>
		927,377	177,006	1,104,383	1,286,522
CREDITORS					
Amounts falling due within one year	14	<u>(72,475)</u>	<u>-</u>	<u>(72,475)</u>	<u>(13,986)</u>
NET CURRENT ASSETS		<u>854,902</u>	<u>177,006</u>	<u>1,031,908</u>	<u>1,272,536</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>925,666</u>	<u>177,006</u>	<u>1,102,672</u>	<u>1,368,889</u>
NET ASSETS		<u><u>925,666</u></u>	<u><u>177,006</u></u>	<u><u>1,102,672</u></u>	<u><u>1,368,889</u></u>
FUNDS	16				
Unrestricted funds				925,666	1,201,084
Restricted funds				<u>177,006</u>	<u>167,805</u>
TOTAL FUNDS				<u><u>1,102,672</u></u>	<u><u>1,368,889</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on **6th March 2025** and were signed on its behalf by:



R Wilson (Chair Of Trustees)

Cash Flow Statement

For the year ended 31st July 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(99,071)</u>	<u>(11,880)</u>
Net cash (used in)/provided by operating activities		<u>(99,071)</u>	<u>(11,880)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(32,643)	(9,852)
Interest and dividends received		7,378	1,074
Proceeds from sales of tangible fixed assets		20,162	-
Purchase of investment		<u>(100,905)</u>	<u>-</u>
Net cash used in investing activities		<u>(106,008)</u>	<u>(8,778)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(205,079)	(20,658)
Cash and cash equivalents at the beginning of the reporting period		<u>877,236</u>	<u>897,894</u>
 Cash and cash equivalents at the end of the reporting period		 <u>672,157</u>	 <u>877,236</u>

Notes to the Cash Flow Statement

For the year ended 31st July 2024

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

	2024	2023
	£	£
Net (deficit)/ income for the reporting period (as per the Statement of Financial Activities)	(266,217)	225,020
Adjustments for:		
Depreciation charges	35,787	35,888
Interest received	(7,378)	(1,074)
Increase in stocks	(43,878)	(39,425)
Decrease/(increase) in debtors	126,115	(211,054)
Increase/(decrease) in creditors	58,489	(21,235)
Gain on investment	(4,272)	-
Loss on sales of tangible fixed assets	2,283	-
	<u> </u>	<u> </u>
Net cash used by operations	<u>(99,071)</u>	<u>(11,880)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/23	Cash flow	At 31/7/24
	£	£	£
Net cash			
Cash at bank and in hand	877,236	(607,053)	270,183
Short term deposits	<u>-</u>	<u>401,974</u>	<u>401,974</u>
	<u>877,236</u>	<u>(205,079)</u>	<u>672,157</u>
Total	<u>877,236</u>	<u>(205,079)</u>	<u>672,157</u>

The notes form part of these financial statements

Notes to the Financial Statement

For the year ended 31st July 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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.

Notes to the Financial Statement

For the year ended 31st July 2024

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 charitable activities includes the nominal fee received from beneficiaries for the weekly Food Club.

Other income relates to the sale of small ad hoc materials, such as the Zed Ted Book, hub set up fees and interest received on gift aid claimed from previous periods.

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.

Direct expenditure has been allocated directly to the activity that they relate to where possible. Support and governance costs have been apportioned to the activity based on the full time equivalent staff and consultants per department. This is split 31% service delivery and 41% Family Engagement, which make up Charitable Activities, and 28% on raising funds.

Notes to the Financial Statement

For the year ended 31st July 2024

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

Investments

Investments are initially measured at cost and subsequently at market value. Investment gains and losses, whether realised or unrealised, are recognised in the statement of financial activities in the period in which they arise.

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.

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

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.

Notes to the Financial Statement

For the year ended 31st July 2024

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

The company only enters into transactions in 'basic' financial instruments which result in the recognition of assets and liabilities; these include trade and other debtors and creditors, bank balances, loans from banks and other third parties, and loans to related parties. These are recognised in the company's balance sheet when it becomes party to the contractual provisions of the instrument.

Basic financial assets (other than those classified as payable within one year) are initially measured at cost and are subsequently carried at cost or amortised cost using the effective interest method, less any impairment losses. Basic financial assets classed as receivable within one year are not amortised.

Basic financial liabilities (other than those classified as payable within one year) are initially measured at present value of future cash flows and subsequently at amortised cost using the effective interest method. Basic financial liabilities classed as payable within one year are not amortised.

Financial assets and liabilities are offset, with the net amount reported in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statement

For the year ended 31st July 2024

2. DONATIONS AND GRANTS

	2024	2023
	£	£
Donations	811,852	669,937
Gift aid	78,748	63,509
Grants (Trusts and Foundations)	248,354	287,330
Donations in kind (items provided to beneficiaries and facilities used by Charity)	240,613	281,164
	<u>1,379,567</u>	<u>1,301,940</u>

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

	2024	2023
	£	£
FABB Foundation	37,500	-
Leeds Building Society Foundation	27,334	27,334
The Teesside Charity	23,070	-
Voluntary Action Leeds - HSF	22,000	72,700
Mazars Charitable Trust	18,000	-
The PFC Trust	16,950	-
ShareGift, The Orr Mackintosh Foundation	14,000	-
Leeds Christian Community Trust	13,950	11,600
The Keith Howard Foundation	10,000	-
Ed & Trisha Kessler Charitable Trust	10,000	-
The Penelope Martin Charitable Trust	10,000	-
Leeds Community Foundation - Jimbo's Fund	10,000	-
Mukul Madhav Foundation UK	5,000	-
The Pike Star Foundation	5,000	-
Forum Central	6,500	-
BUPA Foundation	-	10,100
Leeds Community Foundation	-	9,946
MICE - Leeds City Council	-	4,150
The Barry and Peggy High Foundation	-	150,000
14 other grants £2.5k or under	19,050	1,500
	<u>248,354</u>	<u>287,330</u>

Notes to the Financial Statement

For the year ended 31st July 2024

3. INVESTMENT INCOME

	2024	2023
	£	£
Interest and dividends received	<u>7,378</u>	<u>1,074</u>

4. RAISING FUNDS

Raising donations and grants

	2024	2023
	£	£
Investment fee	60	103
Marketing and events	11,623	1,333
Donation processing fees	16,849	6,283
Staff recruitment	6,720	-
Staff travel and subsistence	498	-
Funding and communication consultants	53,130	5,302
Direct staff costs	61,725	51,575
Allocation of support and governance costs	<u>91,228</u>	<u>43,444</u>
	<u>241,833</u>	<u>108,040</u>

Notes to the Financial Statement

For the year ended 31st July 2024

5. CHARITABLE ACTIVITIES COSTS

	2024 £	2023 £
<u>Service Delivery</u>		
Bed frames and mattresses	574,767	356,539
Bed bundle items	119,895	28,407
Beds and bundles gifted – in kind	92,074	116,932
Increase in stock	(43,877)	(39,425)
Rent in kind	144,300	143,100
Warehouse costs	18,629	9,572
Vehicle fleet running and maintenance	10,935	8,012
Vehicle and equipment depreciation	33,308	34,454
Freelance delivery driver	-	6,450
Staff travel and subsistence	443	-
Direct staff costs (note 8)	93,588	52,288
Allocation of support and governance costs (note 6)	99,630	47,446
<u>Family Engagement</u>		
Food club, emergency food and holiday club	31,461	51,621
Carpets, furniture, uniform and utilities	28,874	41,966
Staff travel and subsistence	7,447	-
Direct staff costs (note 8)	95,496	62,245
Allocation of support and governance costs (note 6)	130,600	62,195
	<u>1,437,570</u>	<u>981,802</u>

Notes to the Financial Statement

For the year ended 31st July 2024

6. SUPPORT AND GOVERNANCE COSTS

	2024 £	2023 £
<u>Support costs</u>		
Direct staff costs (note 8)	166,555	60,448
Freelance staff	3,763	4,576
Volunteer subsistence	177	230
Hub set up and bursaries	22,662	8,827
Staff travel and meeting costs	12,438	7,254
Staff recruitment, training and uniform	15,908	21,204
Insurance	8,287	7,012
Administrative costs and small equipment	3,667	6,860
Website development	14,700	-
Bank charges and card fees	358	-
HR Support fees	8,589	-
IT and mobile support and equipment	5,247	-
Events and activities	-	2,455
Loss on disposal of fixed assets	2,284	-
IT equipment depreciation	2,480	1,434
<u>Governance costs</u>		
Auditors' remuneration	10,302	10,580
Professional fees	16,105	3,968
Direct staff costs (note 8)	<u>27,936</u>	<u>18,237</u>
	<u><u>321,458</u></u>	<u><u>153,085</u></u>

7. TRUSTEES REMUNERATION & BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st July 2024 nor for the year ended 31st July 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st July 2024 nor for the year ended 31st July 2023.

Personal trustee donations for the year amounted to £640 (2023: £150). The trustees provide their time to the charity at no cost.

Notes to the Financial Statement

For the year ended 31st July 2024

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	409,731	227,097
Social security costs	25,622	12,255
Other pension costs	<u>9,947</u>	<u>5,442</u>
	<u>445,300</u>	<u>244,794</u>

The charity considers its key management personnel (in addition to the Board of Trustees) to be the Chief Executive. The total remuneration (including employer pension contributions) of the key management personnel was £78,405 (2023: £56,977).

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

	2024	2023
Employees	<u>14</u>	<u>11</u>

One employee received emoluments within the range of £70,000 to £79,999 (2023: None). This was for the CEO who received emoluments totalling £70,000. The full time equivalent is 11.7 (2023: 9).

Notes to the Financial Statement

For the year ended 31st July 2024

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations, grants and other	1,014,889	298,899	1,313,788
Investment income	<u>1,074</u>	<u>-</u>	<u>1,074</u>
Total	<u>1,015,963</u>	<u>298,899</u>	<u>1,314,862</u>
 EXPENDITURE ON			
Raising funds	108,040	-	108,040
Charitable activities			
Cost to provide charitable activities	<u>802,726</u>	<u>179,076</u>	<u>981,802</u>
Total	<u>910,766</u>	<u>179,076</u>	<u>1,089,842</u>
NET INCOME	105,197	119,823	225,020
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,095,887</u>	<u>47,982</u>	<u>1,143,869</u>
 TOTAL FUNDS CARRIED FORWARD	<u>1,201,084</u>	<u>167,805</u>	<u>1,368,889</u>

Notes to the Financial Statement

For the year ended 31st July 2024

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st August 2023	10,633	8,945	130,871	150,449
Additions	-	10,449	22,194	32,643
Disposals	<u>(2,596)</u>	<u>(2,129)</u>	<u>(30,325)</u>	<u>(35,050)</u>
At 31st July 2024	<u>8,037</u>	<u>17,265</u>	<u>122,740</u>	<u>148,042</u>
DEPRECIATION				
At 1st August 2023	1,933	2,440	49,723	54,096
Charge for year	1,888	2,480	31,419	35,787
Disposals	<u>(711)</u>	<u>(1,662)</u>	<u>(10,232)</u>	<u>(12,605)</u>
At 31st July 2024	<u>3,110</u>	<u>3,258</u>	<u>70,910</u>	<u>77,278</u>
NET BOOK VALUE				
At 31st July 2024	<u>4,927</u>	<u>14,007</u>	<u>51,830</u>	<u>70,764</u>
At 31st July 2023	<u>8,700</u>	<u>6,505</u>	<u>81,148</u>	<u>96,353</u>

All fixed assets are used for charitable activities.

11. STOCKS

	2024 £	2023 £
Stocks	<u>108,312</u>	<u>64,434</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Gift aid recoverable	64,687	181,392
Prepayments and accrued income	<u>154,050</u>	<u>163,460</u>
	<u>218,737</u>	<u>344,852</u>

Notes to the Financial Statement

For the year ended 31st July 2024

13. INVESTMENTS

	2024	2023
	£	£
Market value at the start of the year	-	-
Additions at cost	100,905	-
Net unrealised gain	<u>4,272</u>	<u>-</u>
	<u>105,177</u>	<u>-</u>
Comprised of:		
Fixed interest securities	66,251	-
Equities	19,417	-
Alternative multi asset	11,363	-
Physical commodities	6,493	-
Cash	1,652	-

Zarach's investments have been managed by Andrews Gwynne LLP. Since the year end, the account has been closed and the money placed in short term cash deposits.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Creditors in the ordinary course of activities	32,800	1,298
Tax and social security creditor	11,030	-
Accruals and deferred income	<u>28,645</u>	<u>12,688</u>
	<u>72,475</u>	<u>13,986</u>

15. COMMITMENTS

On 2nd August 2024 after the year end, the Charity signed a lease agreement for a new warehouse and office premises. The premises costs an annual rent of £78,000 and has a break clause after three years.

Notes to the Financial Statement

For the year ended 31st July 2024

16. Movement In Funds

	Funds at 1st August 2023 £	Incoming resources £	Resources expended £	Gains £	Funds at 31st July 2024 £
Unrestricted funds	1,201,084	1,172,295	(1,451,985)	4,272	925,666
Restricted funds					
<u>Family Engagement</u>					
Leeds Community Foundation, Local Care District	3,315	-	(3,315)	-	-
School uniforms	4,180	-	(3,000)	-	1,180
LCCT	2,225	13,950	(15,398)	-	777
BUPA Foundation	4,989	-	(4,529)	-	459
LCP Hatch Grant	612	-	(612)	-	-
Leeds Building Society Foundation	7,434	27,333	(23,556)	-	11,212
Forum Centra	-	6,500	(3,393)	-	3,107
Leeds Community Foundation – Jimbo's Fund	-	10,000	(5,727)	-	4,273
<u>Beds and bundles</u>					
The Barry and Peggy High Foundation	100,000	-	(50,000)	-	50,000
Voluntary Action HSF	44,000	22,000	(66,000)	-	-
FABB Foundation	-	7,500	(7,500)	-	-
Crematorium and Memorial Group	-	10,000	(10,000)	-	-
Other restricted donations and grants under £5k	-	10,650	(10,650)	-	-
<u>Tees Valley</u>					
The PFC Trust	-	16,950	(1,200)	-	15,750
Teesside Charity	-	23,070	(446)	-	22,624
Evolve – Crossfit gym	-	21,703	-	-	21,703
Thirteen Housing	-	13,277	(7,487)	-	5,790
JT Atkinson	-	6,516	(6,516)	-	-
High Tunstall College	-	5,051	-	-	5,051
Other restricted donations and grants under £5k	-	8,036	(2,956)	-	5,080

Notes to the Financial Statement

For the year ended 31st July 2024

Hubs – other locations

John Lewis – Stockport container	1,050	-	(1,050)	-	-
Other restricted donations and grants under £5k	-	4,083	(4,083)	-	-
<u>Other</u>					
FABB Foundation	-	30,000	-	-	30,000
	167,805	236,619	(227,418)	-	177,006
TOTAL FUNDS	1,368,889	1,408,914	(1,679,403)	4,272	1,102,672

Some donors have restricted the use of their funding and they have been categorised as follows:

Family Engagement: towards Food Club, Emergency Food, Holiday Club, flooring or Family Engagement staff members.

Beds and bundles: towards bed and bundle stock in Leeds.

Tees Valley: Set up and ongoing running costs of the Tees Valley regional Warehouse, including bed stock for this area.

Hubs: towards beds or other items in an area serviced by our partnership hubs.
Other: Rent for the warehouse and office at Hunslet.

Notes to the Financial Statement

For the year ended 31st July 2024

16. MOVEMENT IN FUNDS – continued

Comparatives for movement in funds

	Funds at 1st August 2022 £	Incoming resources £	Resources expended £	Gains £	Funds at 31st July 2023 £
Unrestricted funds	1,095,887	1,015,963	(910,766)	-	1,201,084
Restricted funds					
<u>Family Engagement</u>					
Leeds Community Foundation, Local Care District	3,315	9,946	(9,946)	-	3,315
School uniforms	1,208	3,000	(28)	-	4,180
LCCT	3,310	11,600	(12,685)	-	2,225
BUPA Foundation	-	10,100	(5,111)	-	4,989
LCP Hatch Grant	-	1,500	(888)	-	612
Leeds Building Society Foundation	-	27,333	(19,900)	-	7,434
Leeds Community Foundation – Jimbos Fund	13,023	-	(13,023)	-	-
Garfield Weston Foundation	4,054	-	(4,054)	-	-
Safer communities	5,896	-	(5,896)	-	-
Other restricted donations and grants under £5k	4,236	20	(4,256)	-	-
<u>Beds and bundles</u>					
The Barry and Peggy High Foundation	-	150,000	(50,000)	-	100,000
Voluntary Action HSF	(1,950)	72,700	(26,750)	-	44,000
FABB Foundation	-	-	-	-	-
Crematorium and Memorial Group	-	-	-	-	-
HSF (DWP)	10,735	-	(10,735)	-	-
Other restricted donations and grants under £5k	-	11,650	(11,650)	-	-

Notes to the Financial Statement

For the year ended 31st July 2024

Hubs – other locations

John Lewis – Stockport container	-	1,050	-	-	1,050
<u>Other</u>					
National Lottery Community Foundation	4,155	-	(4,155)	-	-
	47,982	298,899	(179,076)	-	167,805
TOTAL FUNDS	1,143,869	1,314,862	(1,089,842)	-	1,368,889

Some donors have restricted the use of their funding and they have been categorised as follows:

Family Engagement: towards Food Club, Emergency Food, Holiday Club, flooring or Family Engagement staff members.

Beds and bundles: towards bed and bundle stock in Leeds.

Hubs: towards beds or other items in an area serviced by our partnership hubs.

Other: towards Volunteer Co-ordinator salary

17. RELATED PARTY DISCLOSURES

Income and expenditure related to trustees or their close relatives is required to be disclosed as a related party transaction. Mark Cohen, who is the father of Trustee, Rebekah Wilson, was paid remuneration of £35,537 (2023: £21,494) within the year as an employee of the charity. In the previous year he was also paid £6,450 as a freelance delivery driver delivering goods to beneficiaries.