

COMPANY NUMBER: 12380538 (Limited by Guarantee)

CHARITY NUMBER: 1188681 (England and Wales)

# **THE BREAKING BREAD TRUST**

## **Annual Report and Accounts for the year ended 31 December 2021**

**The Breaking Bread Trust**

Annual Report and Financial Statements for the year ended 31 December  
2021

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## TRUSTEES' REPORT

### Annual Report Trustees 2020-2021

#### Introduction

The trust has continued its work in its second year and provide support to the most disadvantaged parts of our community who continue to be affected by the pandemic. This largely consists of emergency food parcels to about 80 families on a monthly basis.

The trust has established partnerships with local restaurants such as Taste of Lahore and Punjab Grill with whom discussions are ongoing to start a part time soup kitchen to provide hot meals.

The trust has also been in discussions to provide community space for other charities and non for profit organisations. Evolve initiative is one such partnership that has helped young people in the area to find a safe space for them to express themselves and build confidence.

#### Staff Team

Food Bank Operations Manager – Mazhar Hussain

A team of dedicated volunteers assist Mr Hussain with food parcels preparation and delivery.

#### Trustee Team

Ahmed Raza Azam  
Saqib Ahmed  
Mohammad Hamza Saghir

#### Finance

Rizwah Sheikh

#### Website

[www.breakingbreadtrust.org](http://www.breakingbreadtrust.org)

#### Incidents and Complaints

The trust received no complaints during the period ending 31 December 2021.

### Promotion and Publicity

The trust publicised its services and activities through social media channels including the website, Facebook, Twitter and Instagram.

### International

The Breaking Bread Trust did not carry out any charitable activities outside of United Kingdom.

### Meetings

Trustees held regular meetings throughout the year to manage the trust's operations, partnerships and ensuring trust's premises remained covid compliant.

### Outlook

Trust continues to provide vital food support to the most disadvantaged in the London borough of Harrow and surrounding areas. Focus remains to those parts of the society who find it most difficult to access public funds. These include, refugees, asylum seekers, recently unemployed, fleeing domestic violence, etc. Large proportion of recipients are from disadvantaged ethnic backgrounds and are referred to the trust by established community organisations.

Trust has ambitions to expand to provide a Soup kitchen, Clothing bank and a collaborative space for other charitable organisations looking to alleviate mounting mental health issues, with a particular focus on youth.

**COMPANY INFORMATION**

**31<sup>st</sup> December 2021**

INCORPORATED	England on Date 30 December 2019
COMPANY NUMBER	12380538 (Limited by Guarantee)
CHARITY NUMBER	1188681 in England and Wales
DIRECTORS	Ahmed Raza Azam Saqib Ahmed Mohammad Hamza Saghir
COMPANY SECRETARY	Saqib Ahmed
REGISTERED OFFICE	249D Station Road, Harrow, HA1 2TB
BANKERS	Natwest Bank 315 Station Road Harrow HA1 2AD
INDEPENDENT EXAMINER	Salman Maqbool (FCA) Adam Accounting Services Ltd. Technology House 151 Silbury Boulevard Central Milton Keynes MK9 1LH

## **OBJECTIVES AND ACTIVITIES**

The Breaking Bread Trust was established on 30 December 2019. It operates as a charity in the not-for-profit sector and is an independent organisation.

### **Objectives**

The objectives of the charity are:

- a) The prevention or relief of poverty in the United Kingdom and elsewhere in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty;
- b) To promote social inclusion for the public benefit by preventing people in the United Kingdom and elsewhere from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

The trustees are aware of guidance issued by the Charity Commission on public benefit.

No grants were made in the first year as the focus of the charity has been to provide direct benefit to recipients during the pandemic. This will be reassessed once the pandemic subsides.

## **FINANCIAL REVIEW**

The Statement of Financial Activities shows a net surplus of £14,109.00 (2020: £2,220.00) relating to sum of unrestricted and restricted funds for the year ended 2021.

Restricted funds carried forward at 31 December 2021 were £5,596.12.

Bank balances as at year end were £13,627.00.

We are therefore confident we have sufficient reserves carried forward in excess of our reserve requirements

## **RESERVES POLICY**

The Board of Trustees has examined the charity's requirements for reserves in light of the main risks to the organisation. It has been established to maintain overall reserve of 5% of the income received from all sources.

The reserves are needed to meet the working capital requirements of the charity and the Board of Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

### Governing Document

The Breaking Bread Trust is a charitable company limited by guarantee, established originally in 30 December 2019 and then incorporated as a company limited by guarantee in England and Wales. The company was established under a Memorandum of Association, which sets out the objects and powers of the charitable company and is governed by its Articles of Association.

### Recruitment and Appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law.

### Risk Management

The Trustees have reviewed and approved all the main policies required to run as an effective charity. Financial reviews are conducted once a quarter to ensure the trust can continue to run its operations smoothly and has stable donations to cover its expenses. Upon establishing a full fledged food bank, trust carried out a full health & safety as well as Covid assessment to ensure trust's premises remain safe for volunteer staff to operate in.

### Organisational structure

The trust is managed by the three trustees who oversee all aspects of the organisational activities.

Day-to-day responsibility for the provision of the foodbank services rests with the foodbank operations manager. He has responsibility for the day-to-day operational management of the service, individual supervision of the volunteer staff team and ensuring that the team continues to develop their skills and working practices in line with good practice. This is monitored through regular supervision and a monthly meeting with at least one of the trustees.

### Related parties

There are no related party transactions other than those stated here.  
A loan given to the Charity by Mr M H Saghir for £10,000.00. This was to facilitate cashflow. The loan was cleared on 18 October 2021.



## **EXAMINATION OF THE ACCOUNTS**

As the charity's income was under £250,000 the Trustees dispensed with an audit of the financial statements and instructed that they be independently examined.

This report has been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

## Independent examiner's report to the trustees of The Breaking Bread Trust

Report to the trustees/ members of	<b>The Breaking Bread Trust</b>		
On accounts for the year ended	31 December 2021	Charity no	12380538 England and Wales
	I report on the accounts of the company for the year ended 31 December 2021, which are set out on pages 11 – 18.		
Responsibilities and basis of report	<p>The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants of England and Wales.</p> <p>Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:</p> <ul style="list-style-type: none"><li>• examine the accounts under section 145 of the 2011 Act</li><li>• to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act</li><li>• to state whether particular matters have come to my attention</li></ul> <p>My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.</p>		
Independent examiner's statement	<p>In connection with my examination, no matter has come to my attention :</p> <p>(1) which gives me reasonable cause to believe that in any material respect the requirements :</p> <ul style="list-style-type: none"><li>• to keep accounting records in accordance with section 386 of the Companies Act 2006 and</li><li>• to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met or (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached</li></ul>		
Name:	Salman Maqbool	Date:	15/11/2022
Registered Body	The Institute of Chartered Accountants in England and Wales		
Relevant professional qualification	Chartered Accountant		
Address:	151 Silbury Boulevard, Central Milton Keynes, MK9 1LH		

**Charity No. 1188681 in England and Wales**

**Company No. 12380538 incorporated in England (limited by guarantee)**

**Statement of Financial Activities (SoFA)**

**Year ended 31 December 2021**

		Unrestricte d funds	Restricted income funds	Total this year	2020
		£	£	£	£
<b>Incoming resources</b>					
Voluntary income: Donations and legacies		26,147	2,000	28,147	31,612
Investments	Note 3	-	-	-	7
Grants		13,550		13,550	700
<b>Total incoming resources</b>		<b>39,697</b>	<b>2,000</b>	<b>41,697</b>	<b>32,319</b>
<b>Resources expended</b>					
Charitable activities	Note 4	25,371	4,437	29,808	30,099
<b>Total Resources expended</b>		<b>25,371</b>	<b>4,437</b>	<b>29,808</b>	<b>30,099</b>
<b>Net movements in funds</b>		<b>14,326</b>	<b>- 2,437</b>	<b>11,889</b>	<b>2,220</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward 31.12.2020		-5813	8,033	2,220	-
<b>Total funds carried forward 31.12.2021</b>		<b>8,513</b>	<b>5,596</b>	<b>14,109</b>	<b>2,220</b>

The charity has no other recognised gains or losses other than those included in the accounts.

*The notes on pages 13-18 form part of these financial statements.*

**Charity No. 1188681 in England and Wales**

**Company No. 12380538 incorporated in England (limited by guarantee)**

**Accounting period: 30.12.2020 – 31.12.2021**

**BALANCE SHEET AS AT 31 December 2021**

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Note		
<b>FIXED ASSETS</b>	9	746	846
<b>CURRENT ASSETS</b>			
Stock		-	668
Cash at bank and in hand		13,627	15,130
<b>TOTAL CURRENT ASSETS</b>		<b>14,373</b>	<b>15,798</b>
Creditors: amounts falling due within one year		1,010	14,424
<b>NET CURRENT ASSETS</b>	10	<b>13,363</b>	<b>1,374</b>
<b>NET ASSETS</b>		<b>14,109</b>	<b>2,220</b>
<b>FUNDS OF THE CHARITY</b>	11		
Restricted income funds		5,596	8,033
Unrestricted funds		8,513	-
<b>TOTAL FUNDS</b>		<b>14,109</b>	<b>2,220</b>

**Charity No. 1188681 in England and Wales**

**Company No. 12380538 incorporated in England (limited by guarantee)**

**Accounting period: 30.12.2020 – 31.12.2021**

### **Trustees' responsibilities**

The company was entitled to exemption from audit in accordance with section 477 of the Companies Act 2006 relating to small companies.

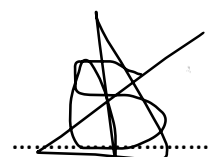
The members have not required the company to obtain an audit of the accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The trustees declare that they have approved the trustees' report (including director's report) above.

Signed on behalf of all the charity's trustees/directors

A handwritten signature in black ink, appearing to be 'S Ahmed', is written over a horizontal dotted line.

**S Ahmed**

**The Breaking Bread Trust**

14 November 2022

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Date of approval

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2021

### 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as summarised below. They have been applied consistently throughout the year and in the preceding year.

#### Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011.

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

#### Change of accounting policy

The accounts present a true and fair view and no changes have been made to the accounting policies adopted in the year end accounts. There were no changes made as a result of adopting FRS 102 in the accounts prepared.

#### Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

#### Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are spent according to the terms specified by the donor.

#### Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

#### Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

#### Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP). Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

### **Support costs**

The charity has incurred expenditure on support costs.

### **Volunteer help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

### **Income from membership subscriptions**

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

### **Liability recognition**

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

### **Governance and support costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

### **Grants with performance conditions**

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

### **Redundancy cost**

The charity made no redundancy payments during the reporting period.

### **Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

### **Foreign currencies**

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

### **Tangible fixed assets for use by charity**

Fixed assets (excluding investments) are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of each asset over its estimated useful life.

Office Equipment	20% Straight line
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### **Stocks and work in progress**

Stocks held for sale as part of charitable trade are measured at the lower or cost or net realisable value.

### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## 2 Legal Status

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of each member is limited to £1.

## 3 Investment income

Investment income arises from interest bearing deposit accounts.

## 4 Resources expended on charitable activities

		Unrestricted funds	Restricted income funds	Total this year	2020
		£	£	£	£
Food purchase		3,022	4,437	7,459	3,340
Rent, Rates & Utilities		19,103		19,103	12,624
Property repairs and maintenance		543		543	11,070
Zakat				-	592
Governance Costs	Note 5	500		500	500
General expenses/IT		2,203		2,203	1,972
Total		25,371	4,437	29,808	30,098

## 5 Support Costs

	Unrestricted funds	Total	Total
	2021	2021	2020
	£	£	£
Governance: Independent Examiner fee	500	500	500
<b>Total</b>	<b>500</b>	<b>500</b>	<b>500</b>

## 6 Staff Costs

The charity had no paid staff throughout the reporting period.

No employee had emoluments in excess of £60,000 (2021: nil). The charity trustees were not paid or received any other benefits from employment within the year. No charity Trustee received payment for professional services supplied to the charity (2020: nil).



## 7 Corporation Tax

The Breaking Bread Trust believes it is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 Of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 8 Tangible fixed assets

	Fixture and Machinery 2021 £
<b><u>Cost</u></b>	
At 31.12.2020	1,056
Additions	<u>141</u>
At 31.12.2021	<b><u>1,197</u></b>
<b><u>Depreciation</u></b>	
At 31.12.2020	211
Charge for the year	<u>239</u>
At 31.12.2021	<b><u>451</u></b>
<b><u>Net Book Value</u></b>	
At 31.12.2020	845
At 31.12.2021	746

## 9 Creditors and accruals

	2021 £	2020 £
Accruals	1,010	4,424
<b>Total</b>	<b><u>1,010</u></b>	<b><u>4,424</u></b>

**10 Charity funds**

**\* Key: PE - permanent endowment funds; EE - expendable endowment funds; R - restricted income funds, including special trusts, of the charity; and U - unrestricted funds**

**Details of material funds held and movements during the CURRENT reporting period**

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balance s brought forward £	Income £	Expendit ure £	Transfers £	Gains and losses £	Fund balances carried forward £
	UR	donations	-6520	26147	11121	-	-	8506
	UR	investment s	7	-	-	-	-	7
Independ ent Food	UR	Grant	700	13,550	14,250	-	-	-
London Communit y	R	charitable activity	8,033	-	3,845	-	-	4188
Zakat	R	charitable activity	-	2,000	592	-	-	1408
<b>Other funds (balancin g figure)</b>	<b>N/a</b>	<b>N/a</b>	-	-	-	-	-	-
<b>Total Funds as per balance sheet</b>			2,220	41,697	29,808		-	14,109

£13,500 grant received in the year **\*From who and if there were any restrictions\***, £9,750 was towards paying rent and £3,750 was for purchasing food.

**11 Transactions with trustees and related parties**

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

**Loans from Trustee:**

On 30 March 2020 Mr M H Saghir (Trustee) had loaned the Charity £10,000.00 to provide cashflow. The balance was paid back to Mr M H Saghir on 17 October 2021.