

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020
FOR
THE WELCOME CENTRE (HUDDERSFIELD)**

Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

THE WELCOME CENTRE (HUDDERSFIELD)

**CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 August 2020**

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 25
Detailed Statement of Financial Activities	26 to 27

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2020

The trustees present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Object of the Charity

The relief of persons suffering from poverty, sickness, disadvantage and distress arising therefrom, by providing practical support, guidance, advocacy and advice.

Charitable activities

The Charity provides practical support to people experiencing extreme disadvantage in the Huddersfield area by:

- supplying a range of emergency packs to individuals and families in crisis
- receiving and storing donations of food, bedding, basic household items and other goods which are made up into packs
- providing advice and guidance to assist individuals with more deep-seated problems to make progress
- offering information and signposting to services and agencies that can help with specific needs
- delivering a fair, non-judgmental and inclusive service in a way that respects people's dignity
- working in partnership with local agencies and services, churches, schools, businesses and the media
- adapting our provision to meet needs through monitoring, feedback and consultation
- operating a year-round service
- offering volunteering opportunities to help individuals to gain skills, confidence and self respect as a stepping stone into employment.

The Welcome Centre (Huddersfield) has been operating since 1997. The number of people supported by The Welcome Centre has increased year on year since its inception, and The Welcome Centre now supports thousands of people each year. The Welcome Centre is meeting a real need in supplementing statutory and voluntary provision for those in crisis need in our community. The Board has the objects of the charity at the front of its mind when making decisions and has regard to the guidance issued by the Charity Commission on public benefit.

Strategic Objectives

The board had three key strategic objectives for 2019-2020 as set out in our three-year plan:

- To increase our effectiveness in tackling food poverty across the area we serve
- To develop our advocacy, guidance and support service in order to increase capacity for supporting clients out of food poverty
- To be outward looking, locally, regionally and nationally in order to share best practice and learn from others

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2020

Volunteers

Volunteers are at the very heart of our organisation; they are essential to all our areas of our work. We value our volunteer team greatly, and strive to make volunteers feel proud of their contribution to our team.

Our volunteers come from all walks of life, and carry out a wide variety of roles at the Centre, including:

- **Delivery Drivers:** collecting donations from corporate and community supporters, and transporting stock between The Welcome Centre's two sites
- **Warehouse:** checking, sorting, and recording all incoming donations of goods
- **Administration support:** book-keeping, data entry, and fundraising administration tasks
- **Event support:** helping at fundraising events and collections, and giving talks on behalf of The Welcome Centre
- **Specialist support:** providing specialist advice on areas including legal matters, health and safety, policy and procedures, and logistics and IT, and serving on sub-groups
- **Phone referrals:** taking incoming client referral phone calls from frontline agencies
- **Store:** making up client packs of food, bedding, toiletries, etc
- **Fresh and donations:** handling incoming donations to our Lord Street site, and making up the fresh food part of client food packs
- **Reception:** welcoming clients on arrival, and handing over client packs

We currently have around 100 volunteers at The Welcome Centre, most of whom volunteer with us regularly, and some of whom volunteer seasonally or on a more casual basis. Our volunteers are recruited, trained, inducted, and supported by our staff team.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2020

ACHIEVEMENT AND PERFORMANCE

Our achievements in 2019-2020

The Welcome Centre has been successful in continuing to meet growing demand for practical crisis support in Huddersfield. We have also offered our Advocacy, Guidance and Support service to our clients, to help them transition beyond food bank dependency, providing our clients with one to one support and a library of resources to help them.

We are especially proud of The Welcome Centre's achievements in 2020 against the backdrop of the worldwide Covid-19 pandemic. Operating in unprecedented and very challenging circumstances, The Welcome Centre was able to maintain uninterrupted delivery of its core services, at a time when they were more needed than ever. Covid-19 presented significant challenges to our operational delivery. We experienced unprecedented levels of demand for support, at the same time as we also saw a significant reduction in our staff and volunteer workforce. National food shortages and panic buying prevented us from sourcing food and other essentials to supply to clients. Additionally, we had to make significant operational changes to adapt to working in a Covid-secure way.

We are proud to say that the agility of The Welcome Centre team meant that we were able to respond quickly and successfully to the changing situation. Our volunteers, staff and trustees rallied around to quickly implement new ways of working. Our external partners offered us additional support to ensure we were able to continue to deliver our service to a high standard. Our donors and supporters in the community showed incredible generosity in their financial support, giving us the freedom and flexibility to purchase what we needed when we needed it. As a result, we were able to offer our growing number of clients an uninterrupted, high quality service throughout the pandemic, ensuring that anyone in south Kirklees who found themselves in crisis had access to our support services.

STATISTICAL OVERVIEW FOR 2019-2020

	September 2019 - August 2020	September 2018 - August 2019	Percentage change
Total Referrals	10,777	9,894	8.9%
Total Number of referring agencies	134	126	6.3%
Total Unique People Helped	4,545	4,245	7.1%
Total Unique Children Helped*	1,359	1,322	2.8%
% clients with just one referral	44.32%	40.96%	n/a
% clients with more than 3 referrals	29.75%	30.73%	n/a
Total Pack Count**	15,484	14,160	9.4%
Food Pack Count	10,495	9,268	13.2%
Person Food Days	100,156	85,414	17.3%
Meals Provided	280,437	239,160	17.3%

*In 2019-2020 we did not deliver our Feeding Families Programme, which accounted for an additional 314 unique children being supported in 2018-19.

** In 2019-2020, we focussed on offering only food and toiletry packs for the first 5 months of lockdown.

As can be seen from the figures above, The Welcome Centre once again saw an increase in demand in 2019-2020. This steady year on year increase in demand is a continuation of an established trend, which we have seen for at least the last five years. Additionally, it is worth noting that in Spring 2020 there was an additional spike in demand, caused by the sudden impact of national lockdown. During April 2020 we saw a 60% increase in referrals, a 57.5% increase in people helped, and 34.5% increase in packs distributed, compared to April 2019. This spike was the result of job losses, national food shortages and price increases, and general uncertainty. The spike in need was not sustained throughout the pandemic, and returned to more normal levels in late Spring.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2020**

Partnership working

The Welcome Centre continues to be outward looking in our work, and to seek to share best practice with and learn from others in our sector. We are a founding member of the Kirklees Food Network, which brings together emergency food providers across our region and local authority partners, to ensure a joined up, efficient approach to tackling food poverty. We are also an active participant in Feeding West Yorkshire, and the Independent Food Aid Network; respectively regional and national networks of emergency food providers. We are actively involved in the Kirklees Tackling Poverty Partnership, a large borough-wide partnership of public and third sector organisations, exploring long-term solutions to tackling poverty locally.

During the Covid-19 pandemic, we worked especially closely with a core group of external partners, Fusion and Batley food banks (our counterparts in other Kirklees towns), Kirklees Council and Kirklees Neighbourhood Housing, who provided us with significant operational and logistical support during national lockdown. Through close partnership working, we were able as a group to ensure that uninterrupted, standardised provision across the whole of Kirklees was in place throughout the pandemic. We are continuing to work closely with these partners moving forwards, to build on the foundations laid during the pandemic.

Understanding our clients, referring agencies, staff and volunteers

We have once again conducted annual surveys to gather feedback from our clients, referral agencies, staff, and volunteers, so that we can continue to improve and evolve our service. We are pleased that in all four cases the majority of replies were positive and supportive of what we already do. The feedback we received through these services has helped to feed into the Centre's plans moving forward, so we can continue to improve our service.

Staff

The Welcome Centre relies on a small team of three full time members of staff and three part time members of staff operating across its two sites. During 2019-2020 we recruited a new General Assistant, to replace a member of staff who left in the previous financial year.

Operations and logistics

The Welcome Centre operates two sites. Our primary base is in Huddersfield town centre, this is where we take incoming telephone referrals, make up crisis packs for clients, and where clients come to pick up their packs, and to access our Advocacy, Guidance and Support service. Our second site is a warehouse on the outskirts of Huddersfield town centre, where we sort and store incoming donations of goods. We operate a van, provided by Kirklees Council and driven by volunteers, which transports stock between our sites, and picks up donations from our collection points throughout the community.

Ordinarily, both our sites are open to the public; our clients and referrers access our town centre base, and supporters dropping off donations access both sites. During the Covid-19 lockdown, we had to close both our sites to the public and introduce new ways of working. We asked our supporters to support us financially online rather than donating stock. We introduced a home delivery system for distributing client food packs, with support from Kirklees Neighbourhood Housing and Kirklees Council, who provided us with vans and drivers to facilitate this. We transformed our client reception room into a pack distribution centre, and recruited and trained volunteers to perform this new logistics role. We also introduced remote Advocacy, Guidance, and Support for our clients, so we could continue to support them even though not face-to-face.

Our current operational systems will be in place until at least spring 2021, to ensure we can continue to operate safely and efficiently, within the constraints of Covid-19.

**REPORT OF THE TRUSTEES
for the year ended 31 August 2020**

Future Plans and Priorities

In 2020-2021 we will continue to pursue the three main priorities laid down in our strategic plan:

1. to increase our effectiveness in tackling food poverty across the area which we serve,
2. to develop our Advocacy, Guidance and Support service in order to increase capacity for supporting clients transitioning out of food poverty, and
3. to be outward looking locally, regionally, and nationally, in order to share best practice and learn from others.

Although we have made good progress in some of these areas, the unprecedented circumstances of 2020 mean that there is still much work to be done moving forward.

FINANCIAL REVIEW

Financial position

The Welcome Centre's financial position at the end of the 2019-20 year remains healthy, after a year in which we yet again attained a record high for turnover in a twelve month period. Whilst there have been no significant changes to the range of services offered by The Welcome Centre during the year, we have seen continued growth in client demand, especially in the latter half of the year, when Covid-19 resulted in a significant increase in need.

We have also continued to value goods donated to us for use in packs, as this reflects the true value of goods we are distributing into the community. During the Covid-19 epidemic and resulting lockdown, many of our individual and community supporters transitioned from donating goods to donating money, which was much needed to buy shortage items for our packs. Additionally, during this period we also received significant donations of goods from corporate supporters, which offset the fall in donated goods from individuals and community groups.

Total income increased by 25% due to significant increase in donations (up by 119% on the previous year). We have also, for the second year running, seen a huge increase in grants to support our advocacy work (up by 88% on the previous year).

Our services have once again seen a large increase in demand, resulting in a 14% increase in expenditure.

The cash flow improved by £91k in the year, thanks largely to the significant increase in our gifts and donations income. Our year end cash position increased to £336k. Restricted and designated funds amount to £154k, leaving a general cash reserve of £182k, compared to £109k in August 2019.

Principal funding sources

The Welcome Centre received 99% of its income from five main sources.

1. Donations and its associated gift aid from members of the public, faith organisations, schools, businesses and other charities (69.5% of total income)
2. Corporate sponsorship and general grants to support the operational costs of running the centre (6% of total income)
3. Restricted grants to fund projects, support roles, or activities within The Welcome Centre (14% of total income).
4. Capacity building support from Kirklees Council Local Welfare Team (8.5% of total income).
5. Fundraising events organised by staff, volunteers and supporters (1.9% of total income).

For long term sustainability, we would like to increase our income from donations and fundraising to a level of 75% of total income over the next 3 years.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2020

Principal Costs and Expenses

The Welcome Centre's expenditure falls into four main categories, described below:

1. Goods distributed to clients, which is our most significant cost, representing 43.1% of total turnover. Around 80.9% of this met is met from non-financial donations received from our supporters, with the balance comprising items purchased by ourselves.
2. Employment costs relate to salary and pension costs of our 6 staff. At 19.7% of total turnover, this is our second most significant cost.
3. Accommodation costs cover the rent and upkeep of two premises and represents 7.6% of turnover.
4. Grants made to clients for large household items, such as electrical goods and furniture has increased significantly in 2019/20 to a level that equates to over 7% of turnover. Almost all of this expenditure is covered by restricted grants received from organisations.
5. Other small items of expenditure make up the balance of costs, such as IT, telephone, insurance, professional fees, training costs and publicity materials, amounting to 4.5% of turnover.

Restricted Funding

The Welcome Centre has been fortunate again this year to receive several grants totalling £97,757 to support specific projects or restricted activities. This funding was focussed on two main areas:

1. Donations to purchase food and other goods for distribution (£36,424)
2. Targeted support for specific purchases made on behalf of our clients (£61,334)

Capital Expenditure

In 2019/20 £659 was spent on fixed asset additions, this spend was funded through restricted funding.

The budget for 2020/21 includes around £30,000 restricted capital expenditure, to cover further improvements in Lord Street to support the growth of our advocacy activities.

Reserves Policy

In accordance with guidance from the Charity Commission, The Welcome Centre has a policy relating to the retention and management of a financial reserve. We aim to hold a cash reserve, to provide for 6 months full operating costs for our core activities (excluding the value of donated items and restricted expenditure). In addition, we also aim to retain a balance within our current account equivalent to one month's operating costs.

The monthly running costs in 2019/20 amounted to around £18,046 requiring a total reserve of £126,322, which is fully funded.

THE WELCOME CENTRE (HUDDERSFIELD)

REPORT OF THE TRUSTEES for the year ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Welcome Centre is registered as a Charitable Incorporated Organisation and its governing document is its constitution, a CIO conversion dated 10 January 2019, and amended 3 February 2020.

Recruitment and appointment of new trustees

Trustees are elected by Members at AGM, or are appointed by the Board between AGMs.

Trustees are appointed from among full members, who are formally confirmed by the Board following an appointment process which includes induction. Members sign a Code of Conduct and join one of the four subgroups of the Board, which are:

1. Finance and Operations
2. Marketing and Fundraising
3. Human Resources and Volunteering
4. Advocacy, Guidance and Support

The Board takes into consideration major risks at each meeting and each subgroup has risk as a standing item on its agenda via a risk matrix.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1151282

Registered office

15 Lord Street
Huddersfield
HD1 1QB

Trustees

Jeanne Watson	Chair
Richard Whiteley	Treasurer
John Steven Ainley	Secretary
Catherine Mary Bottomley	
Yvonne Harding	
Barry Stephen Lee	(resigned 11.11.19)
Joy Nixon	
Julia Norman	
Andrew Tomlinson	(appointed and approved 11.11.19)
Khalid Siddique	(appointed 13.01.20)
Henry Filloux-Bennett	(appointed 13.01.20)

Independent Examiner

Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

Approved by the board of Trustees on 19 October 2020 and signed on its behalf by:

.....
Jeanne Watson – Chair of Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE WELCOME CENTRE (HUDDERSFIELD)**

Independent examiner's report to the trustees of The Welcome Centre (Huddersfield) ('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of your charity's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000, your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Kevin Winterburn ACA
Institute of Chartered Accountants in England and Wales
Sheards
Chartered Accountants
Vernon House
40 New North Road
Huddersfield
West Yorkshire
HD1 5LS

Date:

THE WELCOME CENTRE (HUDDERSFIELD)**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	502,834	47,960	550,794	386,890
Charitable activities	5				
Support services and food packs		74,028	49,798	123,826	142,452
Other trading activities	3	12,957	-	12,957	18,847
Investment income	4	<u>774</u>	<u>-</u>	<u>774</u>	<u>563</u>
Total		590,593	97,758	688,351	548,752
EXPENDITURE ON					
Charitable activities	6				
Support services and food packs		458,546	104,067	562,613	493,085
Other		<u>1,309</u>	<u>-</u>	<u>1,309</u>	<u>-</u>
Total		459,855	104,067	563,922	493,085
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		130,738	(6,309)	124,429	55,667
RECONCILIATION OF FUNDS					
Total funds brought forward		232,099	42,417	274,516	218,849
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>362,837</u>	<u>36,108</u>	<u>398,945</u>	<u>274,516</u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)**BALANCE SHEET****31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	13	5,415	8,156	13,571	18,854
CURRENT ASSETS					
Stocks	14	38,908	-	38,908	25,372
Debtors	15	26,954	-	26,954	7,208
Cash at bank and in hand		<u>307,994</u>	<u>27,952</u>	<u>335,946</u>	<u>244,651</u>
		373,856	27,952	401,808	277,231
CREDITORS					
Amounts falling due within one year	16	(16,434)	-	(16,434)	(21,569)
		<u>357,422</u>	<u>27,952</u>	<u>385,374</u>	<u>255,662</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES		362,837	36,108	398,945	274,516
		<u>362,837</u>	<u>36,108</u>	<u>398,945</u>	<u>274,516</u>
NET ASSETS					
		<u>362,837</u>	<u>36,108</u>	<u>398,945</u>	<u>274,516</u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

BALANCE SHEET - continued
31 August 2020

FUNDS	17		
Unrestricted funds:			
General fund		236,516	127,969
Long Term Reserve		108,275	89,254
Designated Funds		<u>18,046</u>	<u>14,876</u>
		362,837	232,099
Restricted funds:			
Supported Volunteers Project		-	14,140
Provision of Client Budgeting Courses		-	2,072
Dugdale Trust		-	329
Premises Expansion		5,583	6,583
Renewal of Critical Infrastructure		721	2,440
Additional Cold Food Storage Capacity		1,768	2,043
Volunteers Breakroom Project		84	99
ACTS 435 Provision of Grants to Clients		120	1,122
Kids Kitchen Club		-	4,154
Sustainability		663	1,697
Town Foundation		4,960	-
Feeding Families		12,108	6,829
Family Action		100	560
Garfield Weston Fund		1	349
KMC - Client Grants		<u>10,000</u>	<u>-</u>
		<u>36,108</u>	<u>42,417</u>
TOTAL FUNDS		<u><u>398,945</u></u>	<u><u>274,516</u></u>

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

.....
Jeanne Watson – Chair of Trustees

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

CASH FLOW STATEMENT
for the year ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>91,180</u>	<u>70,351</u>
Net cash provided by operating activities		<u>91,180</u>	<u>70,351</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(659)	(453)
Interest received		<u>774</u>	<u>563</u>
Net cash provided by investing activities		<u>115</u>	<u>110</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		91,295	70,461
Cash and cash equivalents at the beginning of the reporting period		<u>244,651</u>	<u>174,190</u>
Cash and cash equivalents at the end of the reporting period		<u>335,946</u>	<u>244,651</u>

The notes form part of these financial statements

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 August 2020

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

	2020 £	2019 £
Net income for the reporting period (as per the Statement of Financial Activities)	124,429	55,667
Adjustments for:		
Depreciation charges	5,942	10,588
Interest received	(774)	(563)
Increase in stocks	(13,536)	(4,287)
Increase in debtors	(19,746)	(5,917)
(Decrease)/increase in creditors	<u>(5,135)</u>	<u>14,863</u>
Net cash provided by operations	<u>91,180</u>	<u>70,351</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	<u>244,651</u>	<u>91,295</u>	<u>335,946</u>
	<u>244,651</u>	<u>91,295</u>	<u>335,946</u>
Total	<u>244,651</u>	<u>91,295</u>	<u>335,946</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements 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 2015)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 10% on cost
Computer equipment	- 25% on cost

Stocks

Stocks represent goods donated or purchased which have yet to be distributed to beneficiaries. Stocks are valued on the basis of either their purchase price (bought in items) or the estimated cost of the goods in an open market (donated goods).

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

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

Donated goods

Income is recognised by the charity for goods donated at fair value based on the estimated cost of the goods in an open market, when the Charity takes control of the donated goods.

Initially the donated items are recorded as stock, with the corresponding amounts recorded as donations. When the stocks are distributed to beneficiaries, they are recognised as an expense in the SoFA.

THE WELCOME CENTRE (HUDDERSFIELD)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020**

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations and gifts	461,283	331,702
Gift aid	17,149	11,611
Client support payments	46,834	24,945
Corporate sponsorship	<u>25,528</u>	<u>18,632</u>
	<u>550,794</u>	<u>386,890</u>

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Fundraising activities	<u>12,957</u>	<u>18,847</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>774</u>	<u>563</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Grants	<u>123,826</u>	<u>142,452</u>

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

	2020	2019
	£	£
Kirklees Community Partnerships	10,942	-
Garfield Weston Foundation	-	2,000
The Martin Lewis Coronavirus Charity Fund	10,000	-
CAF Coronavirus Emergency Fund	10,000	-
Kirklees Capacity Building	58,384	48,000
One Community Foundation	3,500	-
Town Foundation	14,500	-
Persimmon Homes	-	1,000
Howitt Homeless Trust	500	500
William Brooke Benevolent Fund	15,000	15,000
Third Sector Leaders	-	5,000
St James' Place	-	1,000
Kirklees Federation of Tenants and Residents Association	-	59,952
FV & E Brook Charitable Trust	-	10,000
Groundwork UK	<u>1,000</u>	-
	<u>123,826</u>	<u>142,452</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Totals £
Support services and food packs	<u>514,055</u>	<u>48,558</u>	<u>562,613</u>

7. GRANTS PAYABLE

	2020 £	2019 £
Support services and food packs	<u>48,558</u>	<u>29,622</u>

8. SUPPORT COSTS

	Governance costs £
Independent examiner's fees	1,196
Professional fees	<u>113</u>
	<u>1,309</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	<u>5,942</u>	<u>10,587</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

11. STAFF COSTS

	2020 £	2019 £
Wages and salaries	<u>135,373</u>	<u>123,920</u>
	<u>135,373</u>	<u>123,920</u>

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

	2020	2019
Support staff - Full time equivalent	<u>6</u>	<u>7</u>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	345,692	41,198	386,890
Charitable activities			
Support services and food packs	120,452	22,000	142,452
Other trading activities	15,944	2,903	18,847
Investment income	<u>563</u>	<u>-</u>	<u>563</u>
Total	482,651	66,101	548,752
EXPENDITURE ON			
Charitable activities			
Support services and food packs	417,922	75,163	493,085
NET INCOME/(EXPENDITURE)	64,729	(9,062)	55,667
RECONCILIATION OF FUNDS			
Total funds brought forward	167,370	51,479	218,849
TOTAL FUNDS CARRIED FORWARD	<u>232,099</u>	<u>42,417</u>	<u>274,516</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

13. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2019	3,559	24,658	26,618	54,835
Additions	-	-	659	659
At 31 August 2020	<u>3,559</u>	<u>24,658</u>	<u>27,277</u>	<u>55,494</u>
DEPRECIATION				
At 1 September 2019	3,559	9,588	22,834	35,981
Charge for year	-	2,467	3,475	5,942
At 31 August 2020	<u>3,559</u>	<u>12,055</u>	<u>26,309</u>	<u>41,923</u>
NET BOOK VALUE				
At 31 August 2020	<u>-</u>	<u>12,603</u>	<u>968</u>	<u>13,571</u>
At 31 August 2019	<u>-</u>	<u>15,070</u>	<u>3,784</u>	<u>18,854</u>

14. STOCKS

	2020 £	2019 £
Stocks	<u>38,908</u>	<u>25,372</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	16,605	-
Prepayments	<u>10,349</u>	<u>7,208</u>
	<u>26,954</u>	<u>7,208</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	1,491	10,011
Social security and other taxes	5,178	1,129
Accruals and deferred income	<u>9,765</u>	<u>10,429</u>
	<u>16,434</u>	<u>21,569</u>

17. MOVEMENT IN FUNDS

	At 1.9.19	Net movement in funds	Transfers between funds	At 31.8.20
	£	£	£	£
Unrestricted funds				
General fund	127,969	130,738	(22,191)	236,516
Long Term Reserve	89,254	-	19,021	108,275
Designated Funds	<u>14,876</u>	<u>-</u>	<u>3,170</u>	<u>18,046</u>
	232,099	130,738	-	362,837
Restricted funds				
Supported Volunteers Project	14,139	(14,139)	-	-
Provision of Client Budgeting Courses	2,072	(2,072)	-	-
Dugdale Trust	329	(329)	-	-
Premises Expansion	6,583	(1,000)	-	5,583
Renewal of Critical Infrastructure	2,440	(1,719)	-	721
Additional Cold Food Storage Capacity	2,043	(275)	-	1,768
Volunteers Breakroom Project	99	(15)	-	84
ACTS 435 Provision of Grants to Clients	1,122	(1,002)	-	120
Kids Kitchen Club	4,154	-	(4,154)	-
Sustainability	1,697	(1,034)	-	663
Town Foundation	-	4,960	-	4,960
Feeding Families	6,829	1,125	4,154	12,108
Family Action	560	(460)	-	100
Garfield Weston Fund	350	(349)	-	1
KMC - Client Grants	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>42,417</u>	<u>(6,309)</u>	<u>-</u>	<u>36,108</u>
TOTAL FUNDS	<u>274,516</u>	<u>124,429</u>	<u>-</u>	<u>398,945</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	590,592	(459,854)	130,738
Restricted funds			
Supported Volunteers Project	-	(14,139)	(14,139)
Provision of Client Budgeting Courses	-	(2,072)	(2,072)
Dugdale Trust	1,807	(2,136)	(329)
Premises Expansion	-	(1,000)	(1,000)
Renewal of Critical Infrastructure	-	(1,719)	(1,719)
Additional Cold Food Storage Capacity	-	(275)	(275)
Volunteers Breakroom Project	-	(15)	(15)
ACTS 435 Provision of Grants to Clients	21,615	(22,617)	(1,002)
Sustainability	-	(1,034)	(1,034)
Town Foundation	14,501	(9,541)	4,960
Feeding Families	1,126	(1)	1,125
Family Action	12,390	(12,850)	(460)
FOODAID	35,298	(35,298)	-
Garfield Weston Fund	-	(349)	(349)
KMC - Client Grants	10,000	-	10,000
One Community	<u>1,022</u>	<u>(1,022)</u>	<u>-</u>
	<u>97,759</u>	<u>(104,068)</u>	<u>(6,309)</u>
TOTAL FUNDS	<u>688,351</u>	<u>(563,922)</u>	<u>124,429</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
Unrestricted funds				
General fund	91,964	64,729	(28,724)	127,969
Long Term Reserve	75,406	-	13,848	89,254
Designated Funds	-	-	14,876	14,876
	<u>167,370</u>	<u>64,729</u>	-	<u>232,099</u>
Restricted funds				
Supported Volunteers Project	8,739	5,400	-	14,139
Provision of Client Budgeting Courses	2,072	-	-	2,072
Dugdale Trust	-	329	-	329
Premises Expansion	7,583	(1,000)	-	6,583
Client Advice Worker Project	8,984	(8,984)	-	-
Renewal of Critical Infrastructure	5,026	(2,586)	-	2,440
Additional Cold Food Storage Capacity	2,318	(275)	-	2,043
Volunteers Breakroom Project	114	(15)	-	99
ACTS 435 Provision of Grants to Clients	440	682	-	1,122
Co-op Local Community Fund	3,348	(3,348)	-	-
Kids Kitchen Club	4,154	-	-	4,154
Sustainability	2,452	(755)	-	1,697
Development Worker	5,000	(5,000)	-	-
Town Foundation	1,249	(1,249)	-	-
Feeding Families	-	6,829	-	6,829
Family Action	-	560	-	560
Garfield Weston Fund	-	349	-	349
	<u>51,479</u>	<u>(9,062)</u>	-	<u>42,417</u>
TOTAL FUNDS	<u>218,849</u>	<u>55,667</u>	-	<u>274,516</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	482,651	(417,922)	64,729
Restricted funds			
Supported Volunteers Project	15,000	(9,600)	5,400
Dugdale Trust	4,541	(4,212)	329
Premises Expansion	-	(1,000)	(1,000)
Client Advice Worker Project	-	(8,984)	(8,984)
Renewal of Critical Infrastructure	-	(2,586)	(2,586)
Additional Cold Food Storage Capacity	-	(275)	(275)
Volunteers Breakroom Project	-	(15)	(15)
ACTS 435 Provision of Grants to Clients	12,264	(11,582)	682
Co-op Local Community Fund	-	(3,348)	(3,348)
Sustainability	-	(755)	(755)
Development Worker	-	(5,000)	(5,000)
Town Foundation	-	(1,249)	(1,249)
Feeding Families	16,365	(9,536)	6,829
Family Action	8,140	(7,580)	560
FOODAID	7,790	(7,790)	-
Garfield Weston Fund	2,000	(1,651)	349
	<u>66,101</u>	<u>(75,163)</u>	<u>(9,062)</u>
TOTAL FUNDS	<u>548,752</u>	<u>(493,085)</u>	<u>55,667</u>

THE WELCOME CENTRE (HUDDERSFIELD)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	91,964	195,467	(50,915)	236,516
Long Term Reserve	75,406	-	32,869	108,275
Designated Funds	-	-	18,046	18,046
	<u>167,370</u>	<u>195,467</u>	-	<u>362,837</u>
Restricted funds				
Supported Volunteers Project	8,739	(8,739)	-	-
Provision of Client Budgeting Courses	2,072	(2,072)	-	-
Premises Expansion	7,583	(2,000)	-	5,583
Client Advice Worker Project	8,984	(8,984)	-	-
Renewal of Critical Infrastructure	5,026	(4,305)	-	721
Additional Cold Food Storage Capacity	2,318	(550)	-	1,768
Volunteers Breakroom Project	114	(30)	-	84
ACTS 435 Provision of Grants to Clients	440	(320)	-	120
Co-op Local Community Fund	3,348	(3,348)	-	-
Kids Kitchen Club	4,154	-	(4,154)	-
Sustainability	2,452	(1,789)	-	663
Development Worker	5,000	(5,000)	-	-
Town Foundation	1,249	3,711	-	4,960
Feeding Families	-	7,954	4,154	12,108
Family Action	-	100	-	100
Garfield Weston Fund	-	1	-	1
KMC - Client Grants	-	10,000	-	10,000
	<u>51,479</u>	<u>(15,371)</u>	-	<u>36,108</u>
TOTAL FUNDS	<u>218,849</u>	<u>180,096</u>	-	<u>398,945</u>

THE WELCOME CENTRE (HUDDERSFIELD)**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 August 2020****17. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,073,243	(877,776)	195,467
Restricted funds			
Supported Volunteers Project	15,000	(23,739)	(8,739)
Provision of Client Budgeting Courses	-	(2,072)	(2,072)
Dugdale Trust	6,348	(6,348)	-
Premises Expansion	-	(2,000)	(2,000)
Client Advice Worker Project	-	(8,984)	(8,984)
Renewal of Critical Infrastructure	-	(4,305)	(4,305)
Additional Cold Food Storage Capacity	-	(550)	(550)
Volunteers Breakroom Project	-	(30)	(30)
ACTS 435 Provision of Grants to Clients	33,879	(34,199)	(320)
Co-op Local Community Fund	-	(3,348)	(3,348)
Sustainability	-	(1,789)	(1,789)
Development Worker	-	(5,000)	(5,000)
Town Foundation	14,501	(10,790)	3,711
Feeding Families	17,491	(9,538)	7,953
Family Action	20,530	(20,430)	100
FOODAID	43,088	(43,088)	-
Garfield Weston Fund	2,000	(1,999)	1
KMC - Client Grants	10,000	-	10,000
One Community	1,022	(1,022)	-
	<u>163,860</u>	<u>(179,231)</u>	<u>(15,371)</u>
TOTAL FUNDS	<u>1,237,103</u>	<u>(1,057,007)</u>	<u>180,096</u>

The Welcome Centre operates a reserve policy, such that it aims to retain an amount of cash equivalent to six month's core operating costs (excluding the value of donated items) plus an amount equivalent to one month's core operating costs to provide working funds. If the charity could no longer continue to operate, the reserve would be used to allow it to be wound up and to meet potential redundancy and lease term payments.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2020.

THE WELCOME CENTRE (HUDDERSFIELD)**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and gifts	461,283	331,702
Gift aid	17,149	11,611
Client support payments	46,834	24,945
Corporate sponsorship	<u>25,528</u>	<u>18,632</u>
	550,794	386,890
Other trading activities		
Fundraising activities	12,957	18,847
Investment income		
Deposit account interest	774	563
Charitable activities		
Grants	<u>123,826</u>	<u>142,452</u>
Total incoming resources	688,351	548,752
EXPENDITURE		
Charitable activities		
Wages	135,373	123,920
Accommodation costs	52,307	48,615
Insurance	481	589
Telephone	10,786	4,044
Office supplies	2,865	1,892
Publicity materials	1,979	2,659
Goods for distribution	296,879	262,035
Sundries	4,691	2,536
Volunteer expenses	1,718	1,636
Volunteer development	1,034	2,074
Depreciation of improvements to leased property	-	2,697
Depreciation of fixtures and fittings	2,467	2,467
Depreciation of computer equipment	3,475	5,424
Grants to individuals	<u>48,558</u>	<u>29,622</u>
	562,613	490,210
Support costs		
Governance costs		
Accountancy fees	1,196	984
Professional fees	<u>113</u>	<u>1,891</u>
	1,309	2,875

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THE WELCOME CENTRE (HUDDERSFIELD)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2020**

	2020	2019
	<u>£</u>	<u>£</u>
Total resources expended	<u>563,922</u>	<u>493,085</u>
Net income	<u><u>124,429</u></u>	<u><u>55,667</u></u>

This page does not form part of the statutory financial statements
