

REGISTERED COMPANY NUMBER: 07914375 (England and Wales)
REGISTERED CHARITY NUMBER: 1147462

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
HMC (UK)**

Shareef & Co
Statutory Auditors
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

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FOR THE YEAR ENDED 31 MARCH 2020**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

- 1.The advancement of the religion of Islam, by means of , but not exclusively, the provision of facilities to enable Muslim members of the public to practise the Islamic religion and in particular to enable them to observe the Islamic dietary requirements and laws relating to Halal food;
- 2.To advance the education of the public by means of, but not exclusively, providing training in matters relating to the Islamic dietary requirements, laws relating to Halal food, food safety and good standards in food hygiene.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

OBJECTIVES AND ACTIVITIES

Significant activities

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit to both those who directly engage with them and the wider communities.

Monitoring & Inspecting

The Trustees believe that due to the vast number of issues that exist in the supply chain of Halal foods as well as the non Halal food sector an extensive Inspection and Monitoring system is paramount to be able to bring an effective solution to members of the community. This solution will then allow the Charities objectives to be fulfilled by education the community on the ethics of Halal and its importance and the HMC solution. There have been many offences for example, where butchers have been fined for selling lamb when it was beef, a firm ordered to pay a fine of £144,000 for falsely claiming ingredients to be halal and Aldi mislabelling food as halal but it contained pork.

As a result the Trustees have adopted a unique monitoring system whereby trained auditors oversee the end to end process where Halal foods are being processed instilling confidence into purchases that consumers make. HMC has adopted a complete traceable system whereby HMC Certified products can be tracked back to their origination ensuring that the purchase of Halal foods is clear and in benefit for the consumer.

HMC (UK) spends an average of 16,000 hours each month inspecting 95 production sites in the presence of trained HMC inspectors who ensure that the HMC Halal standard is adhered to and as a result of adherence each product is applied with a unique serialised label which is traceable back to its origination.

HMC (UK) also independently monitors over 960 retail stores from butchers, restaurants, takeaways, caterers and visits each of these stores a minimum of 4 times a week on a random basis ensuring that these stores are only selling HMC Certified products. This equates to an average of 4000 hours of time spent inspecting to ensure compliance. Each visit is recorded onto the "HMCapp" giving the management team real-time information as to the outcome of each audit. HMC has made 187,000 visits to 950 retail stores over the course of the year.

HMC (UK) currently monitors 75 schools where both the parents and children can have the confidence in knowing that the school meal is monitored and has been prepared with the utmost due care.

Educational Seminars

The purpose of each educational seminar that HMC (UK) organises is to deliver the message of the importance of eating Halal Foods and the work that HMC (UK) does to ensure that all Muslims are given an assured Halal product that has been vetted at all parts of the supply chain. Attendees are also educated on how they can tell the difference between HMC Certified products and non-certified products thus the Muslims and Wider Communities are able to make an informed choice when making a purchase.

Events that have been held by HMC (UK)

Educations Seminar on Provision of eating Halal Foods - Birmingham
Educations Seminar on Provision of eating Halal Foods - Leicester
Educations Seminar on Provision of eating Halal Foods - Batley
Educations Seminar on Provision of eating Halal Foods - Kettering
Educations Seminar on Provision of eating Halal Foods - Coventry
Educations Seminar on Provision of eating Halal Foods - London

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

OBJECTIVES AND ACTIVITIES

Leaflet Distribution

Leaflets explaining the Importance of eating Halal have been distributed periodically to throughout the year via the following methods;

- o Door to door
- o Outside local mosques
- o Outside community centres
- o Left inside community centres
- o Distributed outside at events that HMC has taken part in

Leaflets Explaining the HMC process of "Qurbani" which is carried out during the sacrificial season of Eid. HMC had a leaflet that was produced which outlined on the guidance of Qurbani as well as how HMC was going to monitor and inspect during this period. From our research it is evident that much of the sacrifice is carried out at the un-prescribed times making the whole process void.

As a result of the HMC process the community benefit in knowing that the complete end is monitored and inspected ensuring that process is valid.

Birmingham Trading Standard in 2016 also visited retail stores in Birmingham and validated their findings via the HMC Certification mark.

Guest on Radio Shows

Members of the HMC team have been invited on to a number of radio programs to discuss the ethics of Halal and to give a synopsis on the production process. A member of HMC has been invited on to the following radio stations to give an insight into Halal where members of the community could pose questions for them to gain a better understanding of Halal and to answer any questions.

LBC

BBC Radio Leicester

BBC Radio 4

BBC Radio 5

BBC Nottingham

BBC Oxford

BBC Asian Network

Radio South Africa

Visiting Businesses and educating them on the Halal Standard

HMC (UK) receives a number of enquiries from businesses who want to know the requirements when processing Halal foods and as a result a trained personnel would talk through the Halal process and if requested make a visit and make recommendation.

STRATEGIC REPORT

Investment policy and objectives

The charity has no long term investments. Due to the current financial situation of the trust, the trustees acknowledge that the trust is not in a position at this time to invest capital in long term investment opportunities. Cash reserves are held in deposit accounts. The trustees are researching investment opportunities to support their reserves policy and future sustainability.

Reserves policy

The trustees would like to see the trust in a position whereby it would have sufficient reserves to cover the running costs of all trust projects for a period of 12 months. Unfortunately with the current economic downturn, and hence reduction in donations - the current financial position has not permitted the trust to build cash reserves to achieve this objective. However, the trustees remain committed to achieving this policy in the coming year(s).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

STRATEGIC REPORT

Financial and risk management objectives and policies

The trustees maintain strict financial and internal controls on behalf of the trust. The trust has recently employed a bookkeeper to ensure that all financial transactions are duly recorded and processed in accordance with the financial procedures policy of the trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

HMC (UK) is governed by its memorandum and articles of association which outlines the framework and standards that the charity must work to and adopt in terms of decision making as well as internal policies that have been created to bring transparency to way the charity operates.

Recruitment and appointment of new trustees

Should the charity be looking for a new Trustee then the potential candidate is nominated by existing members. The potential candidate is interviewed and appointed to bring value to the core management team ensuring that their skills and knowledge can benefit the charity. All trustees are volunteers who dedicate their time and skills to benefit HMC (UK).

Organisational structure

The charity is managed by a board of trustees who are responsible for the general control and management of the charity. All of the trustees are volunteers and hence give their time freely and receive no remuneration or other financial benefits for their role as trustees.

The Board of Trustees have formal meetings every 10 weeks (approximately) to review the on-going activities of the charity. However, arrangements are in place for trustees to be able to formally discuss and consider issues more frequently as the need arises (eg, via telephone conference). In order to monitor the outcome and progress of certain projects, individual trustees may visit project locations and attend project events during the year.

Induction and training of new trustees

All new trustees are inducted into the organisation via training program that covers operational, strategic, decision making and future plans which gives the new member an insight into the work of HMC (UK). Being a field based Charity new members are taken into the field to attain a better understanding of all the operational processes which shows the HMC processes in motion so that a clear picture can be attained for all strategic decision making.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07914375 (England and Wales)

Registered Charity number

1147462

Registered office

Units 8 & 9
Leicester Business Centre
111 Ross walk
Leicester
Leicestershire
LE4 5HH

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

Trustees

Mr Yaseen Esmail Khalifa Director
Mr Imtiaz Sadik Mahetar Teacher (resigned 26/4/2019)
Mr Umar Sheikh Director
Mr Sikander Khan Pathan Director (appointed 26/4/2019)

Company Secretary

Auditors

Shareef & Co
Statutory Auditors
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Shareef & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

HMC (UK)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 March 2021 and signed on the board's behalf by:

A handwritten signature in dark ink, appearing to read 'Umar Sheikh', written over a horizontal line.

Mr Umar Sheikh - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HMC (UK)

Opinion

We have audited the financial statements of HMC (UK) (the 'charitable company') for the year ended 31 March 2020 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 charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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
- the charitable company has not kept adequate accounting records; 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HMC (UK)

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company 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.

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 charitable company'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 charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Shareef & Co
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

30 March 2021

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020**

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	3,158	1,573
Other trading activities	3	2,707,151	2,557,156
Investment income	4	-	130
Total		2,710,309	2,558,859
EXPENDITURE ON Charitable activities	5		
Unrestricted		2,656,465	2,648,626
NET INCOME/(EXPENDITURE)		53,844	(89,767)
RECONCILIATION OF FUNDS			
Total funds brought forward		64,950	154,717
TOTAL FUNDS CARRIED FORWARD		118,794	64,950

The notes form part of these financial statements

HMC (UK)**BALANCE SHEET
31 MARCH 2020**

		2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS	Notes		
Tangible assets	11	9,620	12,025
CURRENT ASSETS			
Debtors	12	415,815	430,975
Cash at bank and in hand		141,682	41,637
		557,497	472,612
CREDITORS			
Amounts falling due within one year	13	(448,323)	(419,687)
NET CURRENT ASSETS		109,174	52,925
TOTAL ASSETS LESS CURRENT LIABILITIES		118,794	64,950
NET ASSETS/(LIABILITIES)		118,794	64,950
FUNDS	15		
Unrestricted funds		118,794	64,950
TOTAL FUNDS		118,794	64,950

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 March 2021 and were signed on its behalf by:

The notes form part of these financial statements

HMC (UK)

BALANCE SHEET - continued
31 MARCH 2020

Mr Umar Sheikh - Trustee

Handwritten signature of Umar Sheikh in black ink, appearing to read 'U. Sheikh'.

The notes form part of these financial statements

HMC (UK)**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	106,960	(43,561)
Interest paid		(6,441)	(6,149)
Net cash provided by/(used in) operating activities		100,519	(49,710)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,984)
Interest received		-	130
Net cash provided by/(used in) investing activities		-	(1,854)
Change in cash and cash equivalents in the reporting period		100,519	(51,564)
Cash and cash equivalents at the beginning of the reporting period	2	40,253	91,817
Cash and cash equivalents at the end of the reporting period	2	140,772	40,253

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	53,844	(89,767)
Adjustments for:		
Depreciation charges	2,405	3,006
Interest received	-	(130)
Interest paid	6,441	6,149
Decrease in debtors	15,160	124,392
Increase/(decrease) in creditors	29,110	(87,211)
Net cash provided by/(used in) operations	106,960	(43,561)

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	90	442
Notice deposits (less than 3 months)	141,592	41,195
Overdrafts included in bank loans and overdrafts falling due within one year	(910)	(1,384)
Total cash and cash equivalents	140,772	40,253

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	41,637	100,045	141,682
Bank overdraft	(1,384)	474	(910)
	40,253	100,519	140,772
Total	40,253	100,519	140,772

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

Allocation and apportionment of costs

Costs are allocated by the trustees in the SOFA on the basis of accounting principles to correctly reflect expenses in the charity.

Tangible fixed assets

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

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	<u>3,158</u>	<u>1,573</u>

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Monitoring fees	<u>2,707,151</u>	<u>2,557,156</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>-</u>	<u>130</u>

5. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 6) £
Unrestricted	<u>2,656,465</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Unrestricted	<u>2,653,465</u>	<u>3,000</u>	<u>2,656,465</u>

7. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Auditors' remuneration	<u>3,000</u>	3,000
Depreciation - owned assets	<u>2,405</u>	<u>3,006</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	2,199,995	2,243,804
	2,199,995	2,243,804

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

	2020	2019
	174	177

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,573
Other trading activities	2,557,156
Investment income	130
Total	2,558,859
EXPENDITURE ON	
Charitable activities	
Unrestricted	2,648,626
NET INCOME/(EXPENDITURE)	(89,767)
RECONCILIATION OF FUNDS	
Total funds brought forward	154,717
TOTAL FUNDS CARRIED FORWARD	64,950

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2019 and 31 March 2020	<u>26,855</u>	<u>2,522</u>	<u>29,377</u>
DEPRECIATION			
At 1 April 2019	15,855	1,497	17,352
Charge for year	<u>2,200</u>	<u>205</u>	<u>2,405</u>
At 31 March 2020	<u>18,055</u>	<u>1,702</u>	<u>19,757</u>
NET BOOK VALUE			
At 31 March 2020	<u>8,800</u>	<u>820</u>	<u>9,620</u>
At 31 March 2019	<u>11,000</u>	<u>1,025</u>	<u>12,025</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	412,315	427,475
Prepayments	<u>3,500</u>	<u>3,500</u>
	<u>415,815</u>	<u>430,975</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts (see note 14)	910	1,384
Trade creditors	62,057	74,196
Tax	18,068	18,068
Social security and other taxes	33,087	56,275
VAT	121,164	111,159
Other creditors	7,847	7,600
Wages control account	128,028	137,871
Pension control	7,088	10,134
Accrued expenses	<u>70,074</u>	<u>3,000</u>
	<u>448,323</u>	<u>419,687</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

14. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	910	1,384
	<u><u> </u></u>	<u><u> </u></u>

15. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
General fund	64,950	53,844	118,794
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	64,950	53,844	118,794
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	2,710,309	(2,656,465)	53,844
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	2,710,309	(2,656,465)	53,844
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Comparatives for movement in funds

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
Unrestricted funds			
General fund	154,717	(89,767)	64,950
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	154,717	(89,767)	64,950
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,558,859	(2,648,626)	(89,767)
TOTAL FUNDS	<u>2,558,859</u>	<u>(2,648,626)</u>	<u>(89,767)</u>

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

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	154,717	(35,923)	118,794
TOTAL FUNDS	<u>154,717</u>	<u>(35,923)</u>	<u>118,794</u>

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	5,269,168	(5,305,091)	(35,923)
TOTAL FUNDS	<u>5,269,168</u>	<u>(5,305,091)</u>	<u>(35,923)</u>

16. RELATED PARTY DISCLOSURES

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	3,158	1,573
Other trading activities		
Monitoring fees	2,707,151	2,557,156
Investment income		
Deposit account interest	-	130
Total incoming resources	2,710,309	2,558,859
EXPENDITURE		
Support costs		
Management		
Wages	2,199,995	2,243,804
Rent, rates and service charge	21,766	20,425
Insurance	1,218	1,452
Telephone	20,904	21,664
Postage and stationery	1,076	7,607
Advertising	12,956	7,702
Sundries	672	79
Carriage	5,998	6,692
Repairs and maintenance	3,273	880
Marketing events	3,176	653
Cardless charges	5,269	5,522
Computer expenses	55,238	42,582
Protective clothing	1,394	2,107
Motor and travelling	1,157	8,954
Staff training	-	1,325
Legal and professional	36,361	73,591
Bookkeeping fees	15,400	18,100
Materials, labels and tapes	142,246	153,453
Bad debts	116,520	19,879
Plant and machinery	2,200	2,750
Fixtures and fittings	205	256
Interest and charges	6,441	6,149
	2,653,465	2,645,626
Governance costs		
Auditors' remuneration	3,000	3,000
Total resources expended	2,656,465	2,648,626
Net income/(expenditure)	53,844	(89,767)

This page does not form part of the statutory financial statements