

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS

A K CENTRE

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2016

ARIFEEN & CO

CHARTERED CERTIFIED ACCOUNTANTS

52 Portland Road, Edgbaston, Birmingham, B16 9HU

Telephone: 0121 454 8630 Fax: 0121 247 4878

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Mohammed Rasib	(President)	(appointed 19.2.2016)
Sakhawat Hussain	(Treasurer)	
Sajda Rauf		(appointed 19.2.2016)
Saima Haroon		(appointed 19.2.2016)
Mariam Khan		(appointed 19.2.2016)
Dr Abida Begum		(appointed 19.2.2016)

The trustees are appointed by the board of trustees for renewable terms of one year.

ADDRESS

The Centre's address is 68 Alum Rock Road, Birmingham, B8 1JA.

DATE OF COMMENCEMENT AND REGISTRATION NUMBER

The Centre was established by Trust Deed on 17 January 1985, and is registered with the Charity Commission, No 515922.

BANK

The Charity's banker are TSB Bank Plc, Saltley Branch.

AUDITORS

The Charity's auditors are Arifeen & Co, Chartered Certified Accountants and Statutory Auditors, 52 Portland Road, Edgbaston, Birmingham B16 9HU.

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

REPORT OF THE TRUSTEES

The trustees present their report along with the statements of accounts for the charity for the year ended 31 March 2016. The statements of accounts have been prepared in accordance with the accounting policies set out on page 9 and comply with the charity's constitution and applicable law.

CONSTITUTION

The Association is governed by its constitution.

THE OBJECTIVES OF THE ASSOCIATION

The main objectives of the Association are to provide residents of Birmingham:

- [a] an advice and information centre which deals with the problems of housing, employment, welfare rights, immigration and nationality and similar problems;
- [b] a centre to facilitate their education and cultural training ;
- [c] information on health related issues;
- [d] facilities to encourage leisure and recreational activities;
- [e] a platform to promote good relationship between Asian community and other racial groups.

ORGANISATION

The trustees who have served during the year are set out on page 1. Trustees are appointed by the board of trustees and serve for one year after which period they may put themselves forward for re - appointment. Trustees meet quarterly to review the progress made during the year and to discuss the issues relevant to the Association's activities.

REVIEW OF PROGRESS AND ACHIEVEMENTS AND FUTURE STRATEGY

The Association has continued to operate during the year to achieve the objectives outlined above and plans to continue these activities in the forthcoming years subject to satisfactory funding arrangements.

The trustees are satisfied that the activities undertaken by the Association during the year are in accordance with its objectives.

RESERVES POLICIES

It is the policy of the Association to maintain unrestricted funds, which are the free reserves of the Association, at a level which provides sufficient funds to cover management, administration and support costs for approximately six months.

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

STATEMENTS OF ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

REPORT OF THE TRUSTEES (Continued ...)

RISK MANAGEMENT

The trustees have examined the strategic, business and operational risks which the Association faces and confirm that systems have been established to enable regular reviews so that the necessary steps can be taken to reduce these risks.

FINANCIAL REVIEW

The attached statements of accounts show the current state of the finances which the trustees consider to be sound.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE STATEMENTS OF ACCOUNTS

The trustees are responsible to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Association and of the Income and Expenditure of the Association for that period. In preparing those accounts, the trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards and statements of recommended practice have been followed subject to any departure disclosed and explained in the statements of accounts; and
- * prepare the statements of accounts on the going concern basis unless it is inappropriate to presume that the Association 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 Association and to enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for prevention and detection of fraud and irregularities.

AZAD KASHMIR WELFARE ASSOCIATION
OPERATING AS - A K CENTRE
STATEMENTS OF ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016

REPORT OF THE TRUSTEES (Continued ...)

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the trustees of the Association who held office at the date of approval of these accounts, each confirm so far as we are aware, that:

- * there is no relevant audit information of which the Association's auditors are unaware; and
- * we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

signed on behalf of the board of trustees

_____ - Mohammed Rasib
Chairman of Trustee

Approved by the Board on 11 September 2017

Independent Auditor's Report to the Trustees of Azad Kashmir Welfare Association

We have audited the accounts of Azad Kashmir Welfare Association for the year ended 31 March 2016, which comprise of the Statement of Financial Activities, the Balance Sheet and related notes. 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).

This report is made solely to the charities trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 3, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Accounts

An audit involves obtaining evidence about the amounts and disclosures in the Accounts sufficient to give reasonable assurance that the Accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of : whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

in our opinion the accounts:

- * give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources, for the year then ended;
- * have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- * have been prepared in accordance with the requirements of the Charities Act 2011.

**Independent Auditor's Report to the Trustees of Azad Kashmir Welfare Association
(continue...)**

Emphasis of matter - Going concern

In forming our opinion on the accounts, which is not modified, we have considered the adequacy of the disclosure made in note 9 to the accounts concerning the Associations' ability to continue as a going concern. The Association incurred a net loss of £187 during the year ended 31 March 2016 and, at that date, the Associations current liabilities exceeded it's total assets by £1,938 and it had net current liabilities of £ 13,639. These conditions, along with the other matters explained in note 9 to the accounts, indicate the existence of a material uncertainty which may cast significant doubt about the Association's ability to continue as a going concern. The accounts do not include the adjustments that would result if the Association was unable to continue as a going concern.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you, if in our opinion:

- * the information given in the Trustees' Annual Report is inconsistent in any material respect with the accounts; or
- * sufficient accounting records have not been kept; or
- * the accounts 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.

S ARIFEEN

Arifeen & Co, Chartered Certified Accountants, Statutory Auditor

52 Portland Road, Edgbaston, Birmingham, B16 9HU

Date: 11 September 2017

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016

	NOTES	2016 £	2015 £
INCOMING RESOURCES			
Activities to further the charity's objects:			
Grants	2	86,621	136,515
TOTAL INCOMING RESOURCES		<u>86,621</u>	<u>136,515</u>
RESOURCES EXPENDED			
Wages & NIC	3	62,940	107,930
Rent, Rates & Insurance		9,954	11,908
Telephone		3,626	3,363
Light & Heat		1,787	1,446
Printing, Postage & Stationary		246	683
Repairs & Renewals		229	193
Office Cleaning		113	80
Bank Charges		-	30
Sundry Expenses		4,117	4,742
Depreciation		696	818
		<u>83,708</u>	<u>131,193</u>
Management & Administration of the Charity	5	3,100	2,652
		<u>3,100</u>	<u>2,652</u>
TOTAL RESOURCES EXPENDED		<u>86,808</u>	<u>133,845</u>
NET INCOMING RESOURCES		-187	2,670
Fund Balance Brought Forward		-1,751	-4,421
FUND BALANCE CARRIED FORWARD		<u>-1,938</u>	<u>-1,751</u>

The notes on pages 9 to 11 form part of these accounts.

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

BALANCE SHEET AS AT 31 MARCH 2016

	NOTES	2016 £	2015 £
FIXED ASSETS			
Fixtures & Fittings	6	<u>3,941</u>	<u>4,637</u>
CURRENT ASSETS			
Debtors	7	7,760	2,699
Cash at Bank		-	-
		<u>7,760</u>	<u>2,699</u>
CURRENT LIABILITIES			
Trade Creditors & Accruals	8	13,639	9,087
		<u>13,639</u>	<u>9,087</u>
NET CURRENT LIABILITIES		-5,879	-6,388
NET LIABILITIES		<u>-1,938</u>	<u>-1,751</u>

represented by

FUNDS

UNRESTRICTED INCOME FUNDS

General Purposes Fund	<u>-1,938</u>	<u>-1,751</u>
-----------------------	---------------	---------------

Signed on behalf of the board of trustees

_____ Mohammed Rasib - Chairman of Trustees

_____ Sakhawat Hussain - Treasurer

Approved by the board on 11 September 2017

The notes on pages 9 to 11 form part of these accounts.

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

1 ACCOUNTING POLICIES

Basis of Accounting

The Statements of Account have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities.

Depreciation

Depreciation is provided on tangible fixed assets to write them off over their expected useful lives at the following rates:

Fixtures & Fittings - 15% p.a reducing balance basis

Incoming Resources

All incoming resources are recognised once the Association has entitlement of the resource, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Incoming resources from grants, where there are performance or service deliverables required by the terms of the grant are accounted for as the Association earns the right to payment through its performance. Grants where entitlement is not conditional on the delivery of a specific performance by the Association are recognised when the Association becomes unconditionally entitled to the grant.

Resources Expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Association to the expenditure. All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category.

	2016 £	2015 £
2 GRANTS		
Birmingham City Council	56,680	51,036
Award for All	-	10,000
Henry Smith Charity	-	30,000
Big Lottery Fund	29,941	-
Community First	-	2,479
Birmingham Public Health	-	30,000
Police & Crime Commission - Domestic Violence Project	-	13,000
	<u>86,621</u>	<u>136,515</u>
3 STAFF COST		
Salaries	60,828	101,907
Social Security Cost	2,112	6,023
	<u>62,940</u>	<u>107,930</u>

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
4	AVERAGE NUMBER OF EMPLOYEES	
	The average number of employees calculated on a full time equivalent basis were	
	<u>5</u>	<u>5</u>
	Number of Employees earning £60,000 or above:	
	<u>-</u>	<u>-</u>
5	MANAGEMENT & ADMINISTRATION OF THE CHARITY	
	Accountancy & Audit Consultancy Fees	2,652
	<u>3,100</u>	<u>2,652</u>
6	FIXED ASSETS	
		FIXTURES & FITTINGS
		£
	COST	
	As at 1 April 2015	43,856
	As at 31 March 2016	<u>43,856</u>
	DEPRECIATION	
	As at 1 April 2015	39,219
	Charge for the year	696
	As at 31 March 2016	<u>39,915</u>
	NET BOOK VALUE	
	As at 31 March 2016	<u>3,941</u>
	As at 31 March 2015	<u>4,637</u>

AZAD KASHMIR WELFARE ASSOCIATION

OPERATING AS - A K CENTRE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	£	£
7	DEBTORS	
	Other Debtors	2,699
	<u>7,760</u>	<u>2,699</u>
8	CREDITORS	
	Bank Overdraft	2,611
	Trade Creditors	6,476
	<u>13,639</u>	<u>9,087</u>

9 GOING CONCERN

The fundings from Birmingham City Council and Big Lottery Fund, Which are the major providers of the funds, are finishing in 2018.

This has created a material uncertainty with respect to the going concern status of the Association and it's future viability.

The Association is seeking funding from alternative sources to mitigate for the reduction of the funding, however, uncertainty remains as to whether the future funding will be enough to meet the expenditure of the Association.