

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED
(A company limited by guarantee and not having a Share Capital)

FINANCIAL STATEMENTS

YEAR ENDED 31-MARCH 2017

CHARITY COMMISSION
FIRST CONTACT

18 DEC 2017

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1109403

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jwHinks
CHARTERED ACCOUNTANTS

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Names of Directors, who are also known as the Management Committee, for the purposes of the Charity Law:

Chairman	Imad Almuflehi
Deputy Chairman	Salem Ahmed
Treasurer	Adel Saeed
Secretary	Ali Saeed
Board Members	Arwa Al-Muflahi Abdulla Abdarab Mohammed Saleh Saeed Khalid Muflihi (stepped down December 2016) Saleh Abdulrahman Saeed (stepped down December 2016) Abdul Monam Ahmed (appointed December 2016) Agim Dervishaj (appointed December 2016)
CEO	Ragih Muflihi
DEVELOPMENT MANAGER:	Yhaia Haffidh
REGISTERED CHARITY NUMBER:	1109403
REGISTERED COMPANY NUMBER:	5038048
REGISTERED OFFICE:	Greets Green Access Centre Tildasley Street West Bromwich West Midlands
INDEPENDENT EXAMINER:	JW Hinks LLP Chartered Accountants and Registered Auditors 19 Highfield Road Edgbaston Birmingham
BANKERS:	Lloyds plc 293 High Street West Bromwich West Midlands

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

MANAGEMENT COMMITTEE'S ANNUAL REPORT

Structure, Governance and Management of the Association

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 2017. 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).

The Yemeni Community Association was first established in 1997 and on 12 August 1998 became a registered charity and held its first elections to nominate the YCA Management Committee. On 9 February 2006 the Association incorporated and became Yemeni Community Association in Sandwell Limited (YCA). On 1 April 2006, operations commenced through the Limited Company.

The Charity is governed by its Memorandum and Articles of Association.

Management and Governance Arrangements

The YCA constitution provides for a minimum of four and a maximum of nine Management Committee members, these members being elected at the annual general meeting by the YCA members. In addition the Management Committee may appoint an additional two co-opted members; however, these have no voting rights on the Committee.

Objectives and Activities

The main aims and objectives of YCA are as follows:-

- To develop a community based organisation that serves the needs and aspirations of the Yemeni population and the wider community in Sandwell
- Developing a cultural identity for youth
- Providing advice and information
- Providing a point of reference and access for other groups within Sandwell

The YCA provides services and activities to the community in the following areas:-

- Education and Training
- Social Welfare
- Health Development
- Youth Development
- Cultural Activities

Achievements and Performance

Management Committee members meet bi monthly to review the performance of the organisations staff and the projects that they are running as well as ensuring that the organisation is continuing to be run on a financially secure basis.

Over the last 12 months the YCA has seen an increase in the number of its users who naturally gravitate from the YCA Cultural Centre (Masjid). Despite resources continuing to be stretched the staff and management have continued to be resourceful by not only maintaining essential services but also expanding services according to the demands of user needs.

The YCA cultural Centre continues to be a source of pride to the organisation where we have been able to develop cultural, spiritual and family activities aiming to build harmony, resilience and cohesion within the local community.

(continued)

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

MANAGEMENT COMMITTEE'S ANNUAL REPORT

The Greets Green Access Centre (YCA main offices) has had a few essential maintenance jobs completed which were fully met by external funding. We have ambitions for further refurbishment for the social room however we are awaiting outcome off funding application submitted.

We continue to manage Lodge Community Centre which is a centre at the heart at of West Bromwich within walking distance from the bus station and shopping centre. The centre is well used by the local community groups and though we had ambitions to refurbish the centre to increase income this as yet has not been fulfilled due to funding constraints.

The Advice and Guidance service continues to be one of the YCA essential services which continues to be well used with an increase in user demand especially from new migrant communities who are trying to navigate living life in the UK.

We have had some great news regarding youth activities which will enable us to maintain our current youth provision for an additional 3 years. However yet again there is growing demand for services offered by this provision especially in the area of educational attainment.

The Arabian Road to Aspiration and Believe (A.R.A.B) project is in its 4th year and has engaged people in various learning and social activities where it has over achieved in the majority of its outputs and outcomes. Sadly though it continues to struggle with the peer mentor aspect of the project, however we have put in place an action plan to remedy this and ensure that this becomes equally successful.

Financial Review and Future Plans

Overall, YCA has raised funds totalling £304,397 with the expenditure for the year totalling £324,733 leaving the organisation with a deficit of £20,336. This leaves £949,434 in our funds to be carried forward at 31 March 2017.

Our plans for the future will be to try and maintain the level of services we have via funding applications. With the works on the YCA Cultural Centre near completion, with only the snagging list jobs to be completed, the only outstanding amount to the project is £30,000. We are also currently trying to source funding for a full time worker for the YCA Cultural Centre

One long term future plan we have is to try and raise funds to purchase the lease of the YCA from SMBC, however, with negotiations yet to start on this it could be 3-5 years before this becomes reality.

Funding Policy

YCA is committed to sustainable development and management practices to support and enhance our activities and ideas in all areas of our organisation. We ensure fund management is an integral part of our decision making process. To achieve this policy, we adopt a structured management approach to minimise adverse outcomes in all our activities.

Funds held at 31 March 2017 were as follows:-

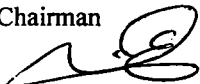
Unrestricted funds	£	65,416
Restricted funds	£	884,018

Independent Examiner

JW Hinks LLP have expressed their willingness to continue in office as independent examiner and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

On Behalf of the Management Committee

Imad Almuflehi
Chairman



7th December 2017

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE MANAGEMENT COMMITTEE

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2017 which are set out on pages 5 to 13.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('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 2011 Act.

Independent examiner's statement

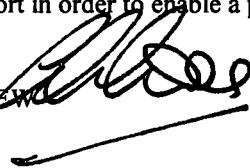
I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

1. Accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

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.

Gary Ashmore FCA
Member of the ICAEW
JW Hinks LLP
19 Highfield Road
Edgbaston
Birmingham
B15 3BH



7th December 2017

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 31 MARCH 2017

	Unrestricted Fund £	Restricted Funds £	Total £	2016 £
INCOMING RESOURCES				
Voluntary income:				
- Donations and collections	5,725	38,632	45,236	241,019
Activities for generating funds:				
- Hire of premises	74,666	-	73,797	66,996
- Subscriptions	1,700	12,582	14,282	10,573
Incoming resources from charitable activities:				
- Grants receivable (Note 2)	41,986	129,080	171,066	159,280
Investment income:				
- Interest received	-	16	16	13
TOTAL INCOMING RESOURCES	124,087	180,310	304,397	477,881
RESOURCES EXPENDED				
Charitable Activities:				
- Salaries and National Insurance (Note 4)	59,017	80,822	139,839	124,137
- Education and training	742	6,666	7,408	6,394
- Sessional workers	90	15,918	16,008	17,405
- Refreshments, activities and sundries	16,229	33,465	49,694	39,056
- Subscriptions and donations	5,250	751	6,001	475
- Depreciation of Greets Green Access Centre and fixtures and fittings	-	2,825	2,825	2,825
Support Costs:				
- Motor, travel, accommodation and transport hire	2,101	5,139	7,240	3,587
- Premises expenses, equipment and facilities hire	19,510	22,108	41,618	48,395
- Rent, rates and service charges	1,264	923	2,187	1,425
- Light and heat	11,332	6,454	17,786	20,091
- Insurance	3,864	1,229	5,093	3,011
- Telephone and internet	4,671	1,206	5,877	5,001
- Printing, postage and stationery	5,165	3,241	8,406	5,754
- Repairs, maintenance and cleaning	5,023	137	5,160	3,815
- Professional and consultancy fees	4,183	417	4,600	6,554
- Bank charges	671	-	671	882
- Independent Examiner's fee	4,320	-	4,320	4,290
TOTAL RESOURCES EXPENDED	143,432	181,301	324,733	293,097
NET EXPENDED RESOURCES	(19,345)	(991)	(20,336)	184,784
TRANSFERS BETWEEN FUNDS	-	-	-	-
NET MOVEMENT IN FUNDS	(19,345)	(991)	(20,336)	184,784
FUNDS BROUGHT FORWARD	84,761	885,009	969,770	784,986
FUNDS CARRIED FORWARD	65,416	884,018	949,434	969,770

The notes on pages 8 to 13 form part of these financial statements.

There were no recognised gains or losses other than those shown in the statement of financial activities.

There were no discontinued operations during the above financial year.

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED - company number 5038048

BALANCE SHEET AS AT 31 MARCH 2017

	Note	£	£	2016	£
FIXED ASSETS	6		791,435		794,260
CURRENT ASSETS					
Debtors and prepayments	8	32,176		26,472	
Bank balances		143,389		159,775	
Cash balance		1,922		2,483	
			<u>177,487</u>	<u>188,730</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
Creditors and accruals	9	19,488		13,220	
NET CURRENT ASSETS			157,999		175,510
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 949,434</u>		<u>£ 969,770</u>
FUNDS					
Unrestricted Fund			65,416		84,761
Restricted Funds	10		884,018		885,009
			<u>£ 949,434</u>		<u>£ 969,770</u>

(continued)

BALANCE SHEET AS AT 31 MARCH 2017 (continued)

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006

and

- (b) 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 company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

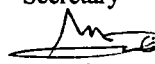
Approved on behalf of the Management Committee

IMAD ALMUFLEHI
Chairman



7th December 2017

ALI SAEED
Secretary



The notes on pages 8 to 13 form part of these financial statements

1. ACCOUNTING POLICIES

(a) Basis of preparation

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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' EFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements for the year ended 31 March 2017 are the first financial statements of Yemeni Community Association in Sandwell Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

(b) Fixed assets

Leasehold property

The Charity purchased Greets Green Access Centre for £240,000 during the year ended 31 March 2004 which was wholly funded by a restricted fund grant from Sandwell MBC. The land on which the Centre stands is the subject of an 85 year lease from Sandwell MBC. On this basis the buildings are being written off on a straight line basis over 85 years.

The renovations on the YCA Cultural Centre have not been completed and depreciation has not been provided on these at present.

Equipment

The Charity holds an inventory of equipment held but it is written off in the year of purchase against the specific grant money received.

(c) Incoming resources

Grants, hire of premises, subscriptions, donations and collections are accounted for in the year in which the Charity is entitled to receipt.

(d) Resources expended

Expenditure is included in the financial statements on an accruals basis. Irrecoverable VAT is charged to the Statement of Financial Activities (SOFA) as incurred.

(e) Restricted funds

Restricted funds are used for specific purposes laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of the management and support costs.

(f) Operating lease rentals

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

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YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) - YEAR ENDED 31 MARCH 2017

(g) Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the Charitable company becomes party to the contractual provisions of the instrument. Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2. GRANTS

	2017	2016
Restricted:	£	£
BBC Children In Need	28,339	21,111
Sandwell Consortium – STEP Project	13,482	17,197
Sandwell MBC - Advice Worker	15,907	15,500
Sandwell MBC - Social Inclusion Luncheon Club	16,505	16,342
Sandwell MBC - Summer Play Scheme	3,260	3,260
The Big Lottery – ARAB (RC/5/010429948)	51,587	50,132
	<hr/>	<hr/>
	£ 129,080	£ 123,542
	<hr/>	<hr/>
Unrestricted:		
Sandwell MBC – Lodge Community Centre	10,083	13,906
Sandwell MBC - Main Grant	31,903	21,832
	<hr/>	<hr/>
	£ 41,986	£ 35,738
	<hr/>	<hr/>
TOTAL	£ 171,066	£ 159,280
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YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) - YEAR ENDED 31 MARCH 2017

3. TAXATION

The organisation is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

4. ANALYSIS OF EMPLOYEE COSTS

	2017 £	2016 £
Salaries	133,180	117,894
Social Security costs	6,659	6,243
	<u>£ 139,839</u>	<u>£ 124,137</u>

No employee received emoluments of over £60,000 during the year.

The average number of full time equivalent employees for the year was 8 (2016: 8).

5. RESOURCES EXPENDED

The resources expended by the charity include:

	2017 £	2016 £
Independent Examiner's fee	4,320	4,290
Depreciation	2,825	2,825

6. FIXED ASSETS

COST	Leasehold Property £	Total £
As at 1 April 2016	830,985	830,985
Additions	-	-
Disposals	-	-
As at 31 March 2017	<u>830,985</u>	<u>830,985</u>
DEPRECIATION		
As at 1 April 2016	36,725	36,725
Charge for the year	2,825	2,825
Eliminated on disposal	-	-
As at 31 March 2017	<u>39,550</u>	<u>39,550</u>
NET BOOK VALUE		
As at 31 March 2017	<u>791,435</u>	<u>791,435</u>
As at 31 March 2016	<u>794,260</u>	<u>794,260</u>

(continued)

YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) - YEAR ENDED 31 MARCH 2017

7. SUMMARY OF NET ASSETS BY FUND

	Unrestricted Fund £	Restricted Funds £	Total £
Fixed assets	-	791,435	791,435
Current assets	82,424	95,062	177,487
Current liabilities	(17,008)	(2,479)	(19,488)
	<hr/>	<hr/>	<hr/>
Net assets	65,416	884,018	949,434
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. DEBTORS AND PREPAYMENTS

	2017 £	2016 £
Fees, grants and room hire balances	22,975	22,570
Other debtors	5,690	-
Prepaid expenses	3,511	3,902
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	£ 32,176	£ 26,472
	<hr/> <hr/>	<hr/> <hr/>

9. CREDITORS AND ACCRUALS

Trade creditors	5,799	3,298
Social security and other taxes	2,759	2,928
Accrued expenses and deferred income	10,930	6,994
	<hr/>	<hr/>
	£ 19,488	£ 13,220
	<hr/> <hr/>	<hr/> <hr/>

10. RESTRICTED FUNDS

	At 1 April 2016 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2017 £
YCA Cultural Centre	657,234	38,648	(18,500)	-	677,382
BBC Children In Need	3,890	28,339	(30,745)	-	1,484
Mother Tongue School	-	12,532	(15,330)	-	(2,798)
Sandwell Consortium – STEP Project	-	13,482	(13,482)	-	-
Sandwell MBC – Advice Worker	-	15,907	(15,907)	-	-
Sandwell MBC - Property Grant	203,275	-	(2,825)	-	200,450
Sandwell MBC - Luncheon Club	-	16,505	(16,505)	-	-
Sandwell MBC – Summer Play Scheme	-	3,310	(3,310)	-	-
The Big Lottery – ARAB (RC/5/010429948)	20,610	51,587	(64,697)	-	7,500
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	885,009	180,310	(181,301)	-	884,018
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11. PURPOSE OF RESTRICTED FUNDS

YCA Cultural Centre (was Arab Cultural Centre)

Donations, collections and funding towards the building of an extra floor at Greets Green Access Centre with the purpose of providing function rooms and crèche facilities.

BBC Children In Need

Funding contributing towards a part time youth worker to work with gender specific groups, running homework classes and physical activity classes.

Mother Tongue School

A project to teach children the Yemeni language and cultural studies together with the provision of a homework club.

Sandwell Consortium – STEP Project

Grant towards exercise classes for the community.

Sandwell MBC – Advice Worker

Grant for the employment for an Advice worker.

Sandwell MBC - Property Grant

The Charity purchased Greets Green Access Centre for £240,000 during the year ended 31 March 2004 which was wholly funded by a restricted fund grant from Sandwell MBC. The land on which the Centre stands is the subject of an 85 year lease from Sandwell MBC. On this basis the buildings are being written off on a straight line basis over 85 years.

Sandwell MBC – Luncheon Club

Grant to provide access points for Elderly Men & Women's within the Community.

Sandwell MBC – Summer Play Scheme

Funding towards the running of the Summer Play Scheme held at the YCA for local children.

The Big Lottery – ARAB (RC/5/010429948)

Grant received towards a five year project aiming to raise the aspiration and confidence of the Arabian Community within Sandwell.

12. TRANSFER BETWEEN FUNDS

Transfers between funds as at 31 March 2017 represent a re-analysis of expenditure between funds undertaken by the charity.

13. MANAGEMENT COMMITTEE'S REMUNERATION

No remuneration directly or indirectly, out of the funds, was paid or is payable for the year to any Management Committee member or to any person or persons known to be connected with any of them.

No reimbursement of expenses has been made or is due to be made to any of the Management Committee in respect of the year

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YEMENI COMMUNITY ASSOCIATION IN SANDWELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) - YEAR ENDED 31 MARCH 2017

14. FINANCIAL COMMITMENTS

At 31 March 2017, the Organisation has annual commitments under non – cancellable leases as follows:

	2017	2016
	£	£
Land and Buildings (Lodge Community Centre)		
Expiry date		
Over 5 years	£ 72	£ 73
	=	=

15. CAPITAL COMMITMENTS

There was a capital commitment in place at the balance sheet date for the renovations to the Arab Cultural Centre to the value of £30,000 (2016: £23,000).

16. ULTIMATE CONTROLLING PARTY

The charity is controlled by the directors/trustees as listed in the Report of the Trustees.