

Registered Company: 2930365 (England & Wales)

Registered Charity: 1040944

HALKEVI: The Kurdish & Turkish Community Centre

Trustees' report and Unaudited Financial Statements

For the year ended 31 March 2015



HALKEVI: The Kurdish & Turkish Community Centre

Charity & Company information

Chairperson	Mr E Kuzu
Secretary	Mr Y Ismailoglu
Company number	2930365 (England & Wales)
Charity number	1040944
Registered office	31-33 Dalston Lane Hackney London E8 3DF
Independent Examiner	AM & Company Registered Auditor 201 Manor Road Grange Hill London IG7 4JY

HALKEVI: The Kurdish & Turkish Community Centre

Contents

	Page
Trustees & Directors report	1-4
Independent Examiners' report	5-6
Statement of Financial Activities	7
Balance Sheet	8-9
Notes to the Financial Statements	10-17

HALKEVI: The Kurdish & Turkish Community Centre

Trustees' & Directors report For the year ended 31 March 2015

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 2015. The trustees have adopted provisions of the Statement of Recommended Practice (SORP) for "Accounting & Reporting by Charities" issued in March 2005.

Aims, Objectives & Activities

The principle objectives of the charity are set out in the Memorandum and articles of association and continue to be:

- Provide educational support to Kurdish, Turkish & Cypriot Turkish pupils in North London
- Increase access to employment for our community
- Provide community and business advice and seminars
- Improve community safety, reducing crime and fear of crime by networking with local authorities, community safety units, drugs action groups, police and The London Mayors Office.
- Encourage active participation in local services & revitalising local democracy
- Protect and improve the environment by actively participating in the local authority efforts
- Improve access to good quality general advice and immigration / asylum advice / health advice
- Consult with our community to shape objectives and services we provide

Vision & Mission

Halkevi: The Kurdish & Turkish Community Centre's vision is to be a modern and democratic organisation, working with the Kurdish and Turkish speaking communities to meet their social and educational needs.

To support this vision, the charity's mission is to improve the quality of health, social economic life, education, immigration and employment for Kurdish and Turkish speaking communities in the United Kingdom especially London. Halkevi will work independently and proactively to reduce inequalities in health, society, housing, education, welfare rights, employment opportunities and to ensure that Kurdish and Turkish Communities receive the type of services that are accessible and culturally appropriate to their needs.

Structure, Governance & Management

The charity is controlled by its governing document which continues to be its Memorandum and articles of association. Halkevi: The Kurdish & Turkish Community Centre constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Halkevi: The Kurdish & Turkish Community Centre is a membership based charity managed by a management committee (known as directors). The management committee comprises of up to 7 directors elected by members for one year and up to two directors co-opted by the elected directors. All must be members of Halkevi: The Kurdish & Turkish Community Centre and receive no remuneration. Co-opted directors must stand for election at the AGM following their co-option or may be co-opted again for one further year. Directors can hold office for a maximum of 10 years from joining the management committee. The management committee usually meets every month.

HALKEVI: The Kurdish & Turkish Community Centre

Trustees' & Directors report For the year ended 31 March 2015

Much of the financial management is delegated by the management committee and overall financial and managerial control is exercised by review of the monthly management data by the management committee. The trustees have given due consideration to the Charity commission published guidance on the operation of the public benefit requirements.

Administration

The charity is registered with the Charity Commission of England & Wales (1040944) as Halkevi: The Kurdish & Turkish Community Centre. The charity is registered and incorporated as a limited company, limited by guarantee (2930365). The registered office of the charity is 31-33 Dalston Road, Hackney, London, E8 3DF.

Financial Review of the year

The year ending 31 March 2015 has been a better year with a surplus of income over expenditure of £20,639. In the prior year March 2014 there was a surplus of £9,710. The leasehold improvements are complete and is generating income for Halkevi.

The improvements to the premises have been funded through loans by members of the charity and a loan by SEIF. Detailed information about Halkevi's financial position and performance is provided in the financial statements and notes enclosed within.

Trustees

Mr E Kuzu (Chairperson)	- Appointed Director 01/05/2015
Mr I Colak	- Appointed Director 01/06/2015
Ms E Karasayli	- Appointed Director 01/06/2015
Mr Y Ismailoglu (Secretary)	- Appointed Secretary 01/06/2015
Mr Y Ismailoglu	- Appointed Director 01/04/2014 (Terminated 01/06/2015)
Mrs Y Kurban	- Appointed Secretary 01/04/2014 (Terminated 01/06/2015)
Ms A Akdogan	- Appointed Director 11/04/2010 (Terminated 01/04/2014)
Mr E Cetinkaya	- Appointed Secretary 03/04/2013 (Terminated 01/04/2014)

HALKEVI: The Kurdish & Turkish Community Centre

Trustees' & Directors report For the year ended 31 March 2015 Page-2

Fund Accounting

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

Restricted funds can only be used for the particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Restricted funds in Halkevi refer to grants that specify how the money should be spent.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Going Concern

In the trustees assessment of the charity's ability to continue its operations, there are no material uncertainties that may cast significant doubt about the charity's ability to continue as a going concern.

Statement of Trustees responsibilities

The trustees (who are also the directors of Halkevi: The Kurdish and Turkish Community Centre for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the statement of financial activities of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 ensuring the assets are properly applied in accordance with charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HALKEVI: The Kurdish & Turkish Community Centre

**Trustees' & Directors report
For the year ended 31 March 2015**

Page-3

In so far as the trustees are aware:

- there is not a requirement to obtain an audit
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant information and to establish that the charitable company's independent examiners are aware of that information.

Independent Examiner

AM & Company will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

This report was approved by the Management Committee on 30/12/15 and signed on its behalf by:

Mr E Kuzu – Chairperson



**Independent Examiners's Report to the Members of
HALKEVI: The Kurdish & Turkish Community Centre**

I report on the accounts of the company for the year ended 31st March 2015, which are set out on pages 01 to 17.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £25,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under company law (Not the governing documents of the Charity) and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

**Independent Examiners's Report to the Members of
HALKEVI: The Kurdish & Turkish Community Centre**

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements: to keep accounting records in accordance with section 386 of the Companies Act 2006 and to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Asim Manzoor ACA (Chartered Accountant)
for and on behalf of :
AM & COMPANY
201 Manor Road
Grange Hill
London
IG7 4JY

Date 30.12.2015

HALKEVI: The Kurdish & Turkish Community Centre

**Statement of Financial Activities
For the year ended 31 March 2015**

		2015	2015	2015	2014
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	£	£	£	£
Incoming Resources					
Incoming resources from generated funds					
Voluntary income	2	12,013	-	12,013	5,088
Activities for generating funds	3	33,948	-	33,948	21,215
Investment -income	4	28,978	-	28,978	28,966
Incoming resources from charitable activities					
All other charitable activities	5	<u>-</u>	<u>7,305</u>	<u>7,305</u>	<u>12,603</u>
Total incoming resources		74,939	7,305	82,244	67,872
Resources Expended					
Charitable activities					
All other charitable activities		36,980	7,305	44,285	38,731
Governance costs	8	<u>17,590</u>	<u>-</u>	<u>17,590</u>	<u>19,431</u>
Total resources expended		54,570	7,305	61,875	58,162
Net Resources/(Expended)		20,369	-	20,369	9,710
Reconciliation of Funds					
Total Funds brought forward		(10,246)	-	(10,246)	(19,956)
Total Funds carried forward		<u>10,393</u>	<u>-</u>	<u>10,393</u>	<u>(10,246)</u>

There were no gains/losses or transfers between funds for the year

HALKEVI: The Kurdish & Turkish Community Centre

**Balance Sheet
As at 31 March 2015**

		Unrestricted Funds	Restricted Funds	2015 Funds	2014 Funds
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	457,213	70,000	527,213	542,202
Current assets					
Debtors: amounts falling due within one year	13	-	-	-	-
Cash at bank and in hand		1,995	-	1,995	22,626
		<u>1,995</u>	<u>-</u>	<u>1,995</u>	<u>22,626</u>
Creditors: amounts falling due within one year	14	(750)	-	(750)	(765)
Net current Assets/(liabilities)		<u>1,245</u>	<u>-</u>	<u>1,245</u>	<u>21,861</u>
Total assets less current liabilities		458,458	70,000	528,458	564,063
Creditors: amounts falling due more than one year	15	(518,065)	-	(518,065)	(574,309)
Net Liabilities		<u>(59,607)</u>	<u>70,000</u>	<u>10,393</u>	<u>(10,246)</u>
Funds				2015 £	2014 £
Unrestricted				(59,607)	(80,246)
Restricted				70,000	70,000
				<u>10,393</u>	<u>(10,246)</u>

HALKEVI: The Kurdish & Turkish Community Centre

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 30/12/15 and signed on its behalf by:

Ekin Firat Kuzu



Registration number 02930365 (England & Wales)

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements For the year ended 31 March 2015

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming Resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grant income is only recorded where the conditions of the grant has been met.

Resources Expended

Expenditure is accounted for 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.

Short leasehold	Straight line over life of lease
Improvements to lease	Nil (Straight line over life of lease once works completed)
Fixtures and Fittings	25% on a reducing balance
Computer Equipment	25% on a reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities. Rental income is not exempt from corporation tax.

Fund Accounting

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

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

Capital Grants

Capital grants are recognised in accordance with SSAP-4 and released over life of lease of asset.

Governance costs

Costs incurred to manage and audit the charitable company.

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements For the year ended 31 March 2015

2. Voluntary income

	2015	2014
	£	£
Donations	12,013	5,088
	<u>12,013</u>	<u>5,088</u>

3. Activities for generating funds

	2015	2014
	£	£
Hall income	27,539	15,860
Sundry	1,320	725
Canteen	5,089	4,630
	<u>33,948</u>	<u>21,215</u>

4. Investment income

	2015	2014
	£	£
Rental income	28,978	28,966
	<u>28,978</u>	<u>28,966</u>

5. Incoming resources from charitable activities

	Activity	2015	2014
		£	£
Grants	All other charitable activity	7,305	12,603
		<u>7,305</u>	<u>12,603</u>

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

Activity	2015	2014
	£	£
Learning Trust (Family Support)	-	-
Hackney Social Services	7,305	6,272
Hackney Advice & Education service	-	6,331
GLA	-	-
	<u>7,305</u>	<u>12,603</u>

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements For the year ended 31 March 2015

6. Charitable activity costs			2015	2014
	Direct costs	Support costs	Totals	Totals
	£	£	£	£
Charitable activities in furtherance of Public benefit	22,386	21,899	44,285	38,731
	<u>22,386</u>	<u>21,899</u>	<u>44,285</u>	<u>38,731</u>
7. Support costs				
				Finance
				£
Bank charges				4
Interest payable				21,895
				<u>21,899</u>
8. Governance costs			2015	2014
			£	£
Sundries			-	83
Auditors Remuneration			3,750	6,000
Professional			600	196
Depreciation			14,990	14,902
Capital grant release			(1,750)	(1,750)
			<u>17,590</u>	<u>19,431</u>
9. Net incoming /(outgoing) resources after charging			2015	2014
			£	£
Auditors Remuneration			3,000	6,000
Depreciation			14,990	14,902
Capital grant release			(1,750)	(1,750)
10. Corporation Tax				

During the year no provision for tax was made for indirect activities generated by the charitable company namely rental income due to capital allowances and reliefs available on the lease.

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements For the year ended 31 March 2015

11. Staff costs

	2015	2014
	£	£
Wages & Salaries	5,329	9,793
Social security costs	-	1,975
	<u>5,329</u>	<u>11,768</u>

No trustees were paid any wages or salaries during the year.

12. Tangible fixed assets

	Short Leasehold	Leasehold Improvements	F&F	Comp Equip	Total
	£	£	£	£	£
Cost					
At 1 April 2014	8,812	558,110	17,178	2,984	587,084
Additions	-	-	-	-	-
At 31 March 2015	<u>8,812</u>	<u>558,110</u>	<u>17,178</u>	<u>2,984</u>	<u>587,084</u>
Depreciation					
At 1 April 2014	440	27,546	14,008	2,888	44,882
Charge	220	13,953	792	24	14,990
At 31 March 2015	<u>660</u>	<u>41,499</u>	<u>14,800</u>	<u>2,912</u>	<u>44,882</u>
Net book value					
At 31 March 2014	<u>8,372</u>	<u>530,564</u>	<u>3,170</u>	<u>96</u>	<u>542,202</u>
At 31 March 2015	<u>8,152</u>	<u>516,611</u>	<u>2,378</u>	<u>72</u>	<u>527,213</u>

Short leasehold commences in April 11 and will depreciate over its lifetime of 40 years.

The leasehold improvements were completed in July 2012 and are depreciated over the period of the lease. The Secretary of Health who has a fixed legal charge over the lease in security for amounts borrowed. Please see Note-17.

Within tangible fixed assets there is £70,000 of capital grant funding provided by Hackney council to extend and refurbish the community centre and has therefore been treated as restricted funding.

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements **For the year ended 31 March 2015**

13. Debtors: amounts falling due within one year	2015	2014
	£	£
Prepayments	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
14. Creditors: amounts falling due within one year	2015	2014
	£	£
Trade creditors	750	750
Other taxes and social security costs	-	-
	<hr/>	<hr/>
	750	765
	<hr/>	<hr/>
15. Creditors: amounts falling due after one year	2015	2014
	£	£
Loans from members & trustees	89,676	129,500
Loan from SEIF	363,639	378,309
Deferred income (capital grant)	64,750	66,500
	<hr/>	<hr/>
	518,065	574,309
	<hr/>	<hr/>

The Loan from SEIF comprises of a capital amount of £363,639 and interest accrued on the loan payable at the year end for 31 March 2015 was £21,895 and for 31 March 2014 was £13,079 respectively.

16. Financial commitments

The charity has committed to a short term lease on the 6 April 2011 between itself and The London Borough of Hackney for the premises of The Community Centre 31-33 Dalston Lane for a further 40 years. This lease will commence at an initial rent of £5,000 per annum and increasing by £5,000 thereafter every 5 years until April 2026. A long term loan agreement is in place with The Secretary of Health for £365,230 over a 19 year period at an initial interest rate of 6% secured on the lease of the building. As at the 31 March 2015 capital repayments were made and £363,639 remained outstanding which had accrued interest of £21,895 at the year end. The total amount owed to the Secretary of Health is £363,639 at the year end.

17. Capital commitment

The charity has committed to refurbishing and extending to the community centre along 31-35 Dalston Lane commencing work in 2010. This expenditure was initially supported through small interest free loans from friends of the community centre. Total spend was £566,922 which was partly financed with a 19 year loan term of £365,230 with the Secretary of Health. As a result of this a fixed legal charge has been placed over the lease agreement with The London Borough of Hackney for the premises of 31-35 Dalston Lane until its repayment.

HALKEVI: The Kurdish & Turkish Community Centre

Notes to the financial statements For the year ended 31 March 2015

18. Related party

There was no trustees' remuneration, benefits or expenses for the year ended 31 March 2015 or 31 March 2014 respectively. At the year end the following trustees or ex-trustees were owed the following amounts:

A. Akdogan, £1,000, H Kucuk £1,000

19. Movement in funds

	At 1 April-14	Net Movement	At 31 Mar 15
	£	£	£
Unrestricted funds			
General funds	(80,246)	20,369	(59,607)
Restricted funds			
General funds	70,000	-	70,000
	<u>(10,246)</u>	<u>20,369</u>	<u>10,393</u>

Net movement in funds can be shown as follows

	Incoming Resources	Resources Expensed	Movement in funds
	£	£	£
Unrestricted funds			
General funds	74,939	(54,570)	20,369
Restricted funds			
General funds	7,305	(7,305)	-
	<u>82,244</u>	<u>(61,875)</u>	<u>20,369</u>

HALKEVI: The Kurdish & Turkish Community Centre

**Notes to the financial statements
For the year ended 31 March 2015**

	2015	2014
	£	£
INCOMING RESOURCES		
Voluntary Income		
Donations	12,013	5,088
Activities for generating Funds		
Hall, Canteen & Sundry	33,948	21,215
Investment Income		
Rent	28,978	28,966
Incoming Resources from charitable activities		
Grants	7,305	12,603
Total Incoming Resources	<u>82,244</u>	<u>67,872</u>
RESOURCES EXPENDED		
Charitable activities		
Wages	5,329	9,739
Social Security	-	1,975
Repairs & Maintenance	412	1,420
Other service costs	1,610	1,338
Printing & stationery	555	606
Telephone & Fax	1,135	1,957
Water & Energy	4,034	3,219
Equipment Rentals	-	478
Travel & Volunteer costs	-	21
Advertising & events	-	-
Canteen and Waste Collection	3,784	5,285
Insurance	315	315
Rent and Rates	5,212	5,000
	<u>22,386</u>	<u>31,407</u>
NET INCOME OVER EXPENDITURE	<u>59,858</u>	<u>36,465</u>

HALKEVI: The Kurdish & Turkish Community Centre

**Notes to the financial statements
For the year ended 31 March 2015**

	2015	2014
	£	£
Governance costs		
Depreciation & Grant Release	13,240	14,902
Sundries	-	83
Accountancy fees & Audit	3,750	6,000
Legal & Professional	<u>600</u>	<u>196</u>
	17,590	19,431
Support costs		
Finance		
Bank Charges	4	59
Interest Payable	<u>21,895</u>	<u>7,265</u>
Total Resources expended	<u>61,875</u>	<u>58,162</u>
TOTAL NET INCOME OVER EXPENDITURE	<u>20,369</u>	<u>9,710</u>