

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2020

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WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Year ended 31 March 2020

Directors/Trustees

M S Sheikh (Chair)
Kate Hills
R Roohany
S M Dickinson
S Farrelly
I Williams

Centre Manager/Company Secretary

P Evans

Independent Examiner

A Dedat ACA
Crystal Business Services Limited
Chartered Accountants
264, Stoney Stanton Road
Coventry, CV1 4FP

Bankers

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B12HB

Santander
Bridle Road
Bootle
Merseyside
L304GB

Solicitors

Band Hatton Button & Co
Solicitors
Coventry

Registered office

12 Victoria Street
Hillfields
Coventry, CV1 5LZ

Registered numbers

Charity : 1112123
Company : 3548462

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2020

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 17th April 1998 and registered as a charity on 18th November 2005. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment, Appointment, Induction and Training of New Trustees

New trustees are invited to stand by existing members and they are selected from local businesses and community organisations. In addition, anyone living or working in the Hillfields area can offer themselves for appointment. No external bodies can make appointments.

Induction and training of trustees is carried out in-house in accordance with Charity Commission guidelines. The position of a trustee is considered by the Board of Directors. The deletion of a Trustee from WATCH management committee can take place following a majority vote at an extraordinary, or scheduled Board meeting.

Organisational Structure

Working Actively To Change Hillfields Ltd Organising Committee members are responsible for the strategic management, development and governance of the charity. The Board membership is made up of representatives from a variety of ethnic backgrounds and cultures with numerous management skills relevant to the work of the charity. There are currently six active Board Members who meet once a month. The centre manager, who is supported and managed by the chairman, provides regular reports to Trustees, and acts as Company Secretary but has no voting right.

The existing scheme of delegation is in place and the day-to-day operations of the organisation are the primary responsibility of the centre manager who is accountable for ensuring that the charity delivers specified services, and key performance indicators are met in accordance with grant providers' funding requirements. The centre manager is also responsible for the recruitment and supervision of staff, ensuring individuals develop their skills, in line with their specified job roles and good working practices.

Related Parties

During the year the organisation received IT services amounting to £9,773 from Ciphe -IT Ltd , a company controlled by one of the directors, Mr S M Dickinson. The amount outstanding to Ciphe-IT Ltd at 31st March 2020 was £981.60.

WATCH also received paid facilitator services amounting to £6,892 from Kate Severn Hills, a company director. There were no amounts outstanding to Kate Severn Hills at 31st March 2020.

Risk Management

Financial, and other work related risk assessments, including health, and fire safety are assessed, and reviewed annually.

Objectives and Activities

The objectives for which the company was established are; to secure, co-ordinate and manage resources for the social, economic and environmental improvement of the Hillfields area of Coventry for the benefit of people living and working in the area.

Continued

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2020

Achievements and Performance

Management secured five new ESF Grant programmes, which will help towards sustaining the organisation until 2023. From the onset of Covid-19 in late February 2020 WATCH implemented an action plan ensuring staff and volunteers were equipped to work remotely and able to continue to provide essential support and services for the local community.

Principal funding sources for the year include; continuation funding from BBC Children In Need, Accelerate R2 (2019-22) European Social Fund (ESF) Grant led by the local authority and CDA (Co-operative Development Association). Exceed (ESF) lead by the LA - 50% match fund for IAG employment support and training programme. Transformation & Growth - Heart of England Community Foundation (HoECF). Building Stronger Britain (BSBT) Funding. A Venue hire Agreement with Hillfields library services and room hire with WEA (Workers Education Association) generated unrestricted general funds. HillzFM Community Radio Project generated income through some outreach radio training and the sales of advertisement, and sponsorship packages. Hillz radio provide a valuable training resource and is embeded in across all of our funded programmes .

Financial Review

Trustees make every effort to keep the reserves of the charity at a minimum level equal to three months operating costs to provide financial stability, and recommended good practice. The forecast projections show the charity is generating a small surplus income and the potential to continue to build the free reserves over the next year.

Future Plans

Create new business and partnership opportunities. Develop the skills of existing staff and increase the size of team of staff and volunteers by 2021 Create a 3 year sustainable digital Business and Marketing Plan

Secure contracts and funding to deliver demand led initiatives to meet the needs of the local community

Develop existing and new partnership programmes with voluntary and public organisations

Further develop the Centre's facilities and resources

Be 55% less grant dependent by 2025. Increase the reserves of the charity by 20% in 2021

Responsibilities of the Trustee Board

The trustees (who are also directors of W.A.T.C.H Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Continued

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2020

Company law requires the trustees to prepare financial statements for each financial year. These statements should give a true and fair view of the state of the 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 these financial statements, the trustees are required

- a) select suitable accounting policies and apply them consistently
- b) observe the methods and principles in the Charities SORP
- c) make judgements and estimates that are reasonable and prudent state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy, the financial position of the charitable company and which 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- a) there is no relevant accounts information of which the charitable company's independent examiner is unaware; and
- b) the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Independent Examiner

Mr Akbar Dedat, of Crystal Business Services Ltd, Chartered Accountants, has expressed his willingness to continue in this capacity.

Approval

This report was approved by the Board and signed on their behalf.



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20th November 2020

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED

(A Company Limited by Guarantee)

Independent Examiner's Report to the Working Actively To Change Hillfields Limited

I report on the accounts of the company for the year ended 31st March 2020 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's 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. I am qualified to undertake the examination by being a qualified member of the Institute Of Chartered Accountants In England & Wales..

Having satisfied myself that the charity is not subject to audit under company law and is eligible for

** examine the accounts under section 145 of the 2011 Act;*

** follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and*

** 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 Commissions. 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 statement below.

Independent examiner's statement

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

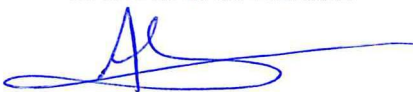
1) which gives me reasonable cause to believe that, in any material respect, the requirements:

** 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.



Mr Akbar Dedat
Chartered Accountant
CRYSTAL BUSINESS SERVICES LTD
Chartered Accountants
264 STONEY STANTON ROAD
COVENTRY. CV1 4FP

20th November 2020

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED**(A Company Limited by Guarantee)****Statement Of Financial Activities (Income and Expenditure Account)****for the year ended 31st March 2020**

	Notes	Restricted	Unrestric - ted	2020	2019
		£	£	£	£
INCOMING RESOURCES					
Charitable Activities					
General Fund		-	4,263	4,263	4,638
ESF - Accelerate Project		86,588	-	86,588	63,381
ESF - Exceed		66,276	-	66,276	76,359
BSBT		38,841	-	38,841	-
BBC Children in Need		46,826	-	46,826	41,097
Radio Education		-	-	-	1,285
Radio Station Advertising		-	1,336	1,336	2,130
Jumping Through Hoops		-	-	-	29,930
Transformation		18,778	-	18,778	-
CCC - Peace		-	750	750	1,000
Create To Motivate		-	1,470	1,470	2,270
Garfield Weston		-	-	-	10,000
Star Academies		-	3,135	3,135	1,045
Violence Reduction		7,698	-	7,698	-
Venue Hire		-	10,229	10,229	8,981
Workers Educational		-	2,651	2,651	-
Youthworks		2,496	-	2,496	-
Library Grant - Deferred Income		-	400	400	400
Rental Income - CCC Library		-	11,000	11,000	11,000
Total incoming resources		267,503	35,234	302,737	253,516
RESOURCES EXPENDED					
Cost of Charitable Activities					
Staff Costs (including training)	(2)	215,829	312	216,141	217,866
Radio Station costs		3,564	2,028	5,592	3,556
Sundries		8,329	-	8,329	4,924
Equipment and Software		3,906	6,952	10,858	8,176
Depreciation		-	6,300	6,300	6,733
Subscriptions, Newspapers, Magazines		110	40	150	617
Payroll and consultancy fees		629	227	856	747
Bank charges		209	75	284	246
Loan interest		532	192	724	986
Insurance		1,748	632	2,380	2,486
Rates		2,780	-	2,780	2,649
Light and Heat		5,209	-	5,209	4,836
Cleaning		1,484	-	1,484	2,034
Property Repairs and Maintenance		-	1,861	1,861	5,421
Postage and Stationery		2,487	627	3,114	2,197
Telephone and Internet		764	4,010	4,774	1,097
Office Equipment Hire		-	2,233	2,233	2,635
		247,580	25,489	273,069	267,206
Governance costs					
Professional charges		-	2,100	2,100	2,100
Total resources expended		247,580	27,589	275,169	269,306
NET INCOMING RESOURCES		19,923	7,645	27,568	-15,790
Revaluation Reserve		-	-	42,000	42,000
Fund Balances at 1st April 2019		76,279	175,383	251,662	267,452
Fund Balances at 31st March 2020		96,202	183,028	321,230	293,662

*All of the company's activities are continuing activities.
Except for property revaluation all of the gains and losses were recognised
for the current and preceding accounting period.*

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Balance Sheet as at 31st March 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	3	<u>243,900</u> 243,900	<u>250,200</u> 250,200
Current assets			
Debtors	4	48,428	53,058
Cash at bank and in hand	5	<u>78,936</u> 127,364	<u>43,383</u> 96,441
Creditors: amounts falling due within one year	6	(10,443)	(11,856)
Net current assets/(liabilities)		<u>116,921</u>	<u>84,585</u>
Total assets less current liabilities		<u>360,821</u>	<u>334,785</u>
Creditors: amounts falling due after one year	7	(39,591)	(41,123)
Net assets		<u><u>321,230</u></u>	<u><u>293,662</u></u>
Funds			
Restricted funds	12	96,202	76,279
Unrestricted funds	13	183,028	175,383
Revaluation Reserve	3	<u>42,000</u> <u>321,230</u>	<u>42,000</u> <u>293,662</u>

Company Registration No: 3548462

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions in part 15 of the Companies Act 2006 subject to the small companies' regime.

The financial statements on pages 6 to 12 were approved and authorised for issue by the directors on 20th November 2020.

Approved by Trustees/Directors:

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WORKING ACTIVELY TO CHANGE HILLFIELD LIMITED

(A Company Limited by Guarantee)

Notes to the accounts for the year ended 31st March 2020

1. Summary of significant accounting policies

(a) General information and basis of preparation

WATCH is a charity registered in England. The nature of the charity's operations and principal activities are set out in the directors' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have not departed from the Charities (Accounts and Reports) Regulations 2008 in order to provide a 'true and fair view'.

The charity is defined as small and, therefore, no cashflow statement is required.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include the revalued property at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds to be used in accordance with specific restrictions and conditions imposed by providers of such funds or funds which have been received by the charity for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

WORKING ACTIVELY TO CHANGE HILLFIELD LIMITED

(A Company Limited by Guarantee)

Notes to the accounts for the year ended 31st March 2020

Expenditure on charitable activities, and other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended

Equipment purchased prior to 31st March 2015 had been fully depreciated.

Depreciation is provided on all tangible fixed assets purchased after 1st April 2016, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Revalued building - 50 years on straight line basis.

Office furniture and equipment - 25% reducing balance

(f) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(h) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(i) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Staff costs and numbers

Staff costs were as follows:-

	2020	2019
	£	£
Gross salaries	202,573	202,766
Social security costs	13,568	15,100
	<u>216,141</u>	<u>217,866</u>

No employee earned £60,000 or more.

No director, trustee or member of the management committee received any remuneration for services during the year, or is a member of the defined benefit contribution pension scheme.

The average number of employees (full time equivalents) analysed by function:

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD**(Company Limited by Guarantee)****Notes to the accounts for the year ended 31st March 2020**

	2020	2019
Accounts and Administration	2	2
Management	1	1
Service Providers	8	8
	<u>11</u>	<u>11</u>

3 Tangible Fixed Assets

	Office Equipment £	Land & Buildings £	Total £
Cost			
1st April 2019	216,917	250,000	466,917
Cost at 31st March 2020	<u>216,917</u>	<u>250,000</u>	<u>466,917</u>
Accumulated Depreciation			
Balance at 1st April 2019	211,717	5,000	216,717
Depreciation in year	1,300	5,000	6,300
Balance at 31st March 2020	<u>213,017</u>	<u>10,000</u>	<u>223,017</u>
Net Book Value			
At 31st March 2020	<u>3,900</u>	<u>240,000</u>	<u>243,900</u>
At 31st March 2019	<u>5,200</u>	<u>245,000</u>	<u>250,200</u>

During December 2013 the freehold title of the land and building at 12 Victoria Street, Coventry, CV1 5LZ was transferred from Coventry City Council to Working Actively To Change Hillfields Limited. The land and building have been included in the financial statements at £200,000 in line with an open market valuation conducted by Loveitts Estate Agents, Coventry, CV3 1JA on 16 December 2013.

After this date, the charity have spent monies on the roofing, windows, structural alterations and the trustees feel that the building valuation at 31st March 2020 would be at least £250,000.

4 Debtors	2020 £	2019 £
Grant providers	48,428	53,058
	<u>48,428</u>	<u>53,058</u>

5 Cash at Bank and in Hand	2020 £	2019 £
Unity Trust Current Account	74,284	40,042
Santander Account	4,540	2,971
Cash in Hand	112	370
	<u>78,936</u>	<u>43,383</u>

6 Creditors: Amounts falling Due Within One Year

	2020 £	2019 £
Other Creditors	2,908	3,503
Taxation & Social Security	3,579	4,398
Accrued Expenses	2,100	2,100
Bank Loan - Unity	1,856	1,855
	<u>10,443</u>	<u>11,856</u>

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD**(Company Limited by Guarantee)****Notes to the accounts for the year ended 31st March 2020****7 Creditors: Amounts falling Due After One Year**

	2020 £	2019 £
Bank Loan - Unity	20,391	21,523
Deferred Income - Capital Grant	19,200	19,600
	<u>39,591</u>	<u>41,123</u>

8 Leasing Commitments

The charity's annual commitments for rental payments under non-cancellable operating leases at 31st March 2018 were as set out below:

	2020 £	2019 £
Operating leases which expire:		
within one year	-	-
within two to five years (Ricoh)	1,062	1,062
	<u>1,062</u>	<u>1,062</u>

9 Trustees Expenses

Travel costs amounting to £Nil (2019 £Nil) were reimbursed to members of the organising committee.

10 Taxation

As a charity, WATCH, is exempt from tax on income and gains.

11 Controlling Parties

The charitable company is under the control of its trustees, directors and management committee.

12. Restricted Funds

	<u>Balance</u> <u>01/04/19</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Outgoing</u> <u>Resources</u> £	<u>Balance</u> <u>31/03/20</u> £
Membership reserves*	156			156
West Midlands Police	535		535	0
BBC Children in Need	16,670	46,826	47,218	16,278
ESF - Accelerate	33,960	86,588	87,081	33,467
ESF - Exceed	9,504	66,276	47,828	27,952
Garfield Weston	454		454	0
Jumping Through Hoops (large)	15,000		15,000	0
BSBT		38,841	38,841	0
Transformation		18,778	2,926	15,852
Violence Reduction		7,698	7,698	0
Youthworks		2,496		2,496
	<u>76,279</u>	<u>267,503</u>	<u>247,581</u>	<u>96,201</u>

*The liability of each of the members is restricted to £1 per member.

Purpose of Restricted Funds

BBC Children In Need (217-20) to fund the salary costs of project staff

BSBT - to fund ESOL, IT and radio training staff costs

ESF Building Better Opportunities, Accelerate Project to fund the salary costs of delivery staff, management and admin support costs.

ESF Exceed - 50% match fund for IAG employment support and training costs

Jumping Through Hoops - (year 3) to part fund salary costs

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD**(Company Limited by Guarantee)****Notes to the accounts for the year ended 31st March 2020**

ESF Building Better Opportunities programmes, BBC Children in Need, Build a Stronger Britain (BSBT) to fund the salary costs of delivery staff, management and admin support costs.

Youthworks CCC - 25% contribution toward the salary costs of young people's placements

Transformation & Growth (HoE) - to fund facilitator, management, admin support, consultant and Matrix Accreditation costs.

Violence Reduction Unit (VRU) Pilot to fund equipment, events, volunteer expenses, admin and management costs

13.Unrestricted Funds	<u>Balance</u> <u>01/04/19</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>Transfers</u>	<u>Balance</u> <u>31/03/20</u>
	£	£	£	£	£
General Funds	175,383	35,234	27,589	0	183,028

14. Analysis of Net Assets between Funds

	Restricted	Unrestricted	Revaluation	Total
	£	£	£	£
Fixed Assets	-	201,900	42,000	243,900
Current Assets	127,079	285	-	127,364
Liabilities	-30,877	-19,157	-	-50,034
	<u>96,202</u>	<u>183,028</u>	<u>42,000</u>	<u>321,230</u>