

# Black Country Wheels School

“Wheels, putting young people first”

<http://www.bcwschool.co.uk>



## Trustees' Annual Report for the Year Ending 30 June 2021

The Trustees of Black Country Wheels present their annual report and audited accounts for the year ended 30 June 2021 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

### Our Aims

We aim to provide an Alternative Educational Offer within the surrounding areas for young people aged between 14 – 16 years old.

### Our Objectives

To act as a resource for young people, within the West Midlands and surrounding areas, by providing advice and assistance and organizing programmes of physical, educational and other activities as a means of:

- Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.
- Advancing educational opportunities.
- Relieving unemployment.
- Providing recreational and leisure time activity in the interests of social welfare for young people who have need by reason of their age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such young people.

### Review of Activities and Achievements

Pupil numbers and income continually fluctuate due to the nature of the commissions by the Local Authority and Secondary Schools who send Day Students. Currently, Local Authority Student Places stands at 30 with a £16200.00 per student fee and provision for 6 SEND places at £16200.00 each if taken, paid over a 11 month period. Day Student Places are charged at £60.00 per day.

The School has the physical capacity to expand student numbers but is restricted by fiscal considerations.

### Academic

Functional Skills and Vocational Studies remain the core of the curriculum and numbers participating are relatively stable considering the economic situation of School funding for Day Students. ASDAN courses of study and accreditation continue to be delivered widening the curriculum offer; AoPE, CoPE and Bronze, Silver, Gold Awards.

During the school year 2020-2021 the Duke of Edinburgh Bronze Award programme was undertaken by a number of Year 11 students with several students undertaking the Silver Award. Some of the Year 10 cohort have undertaken the Bronze Award, allowing them to pursue the Silver Award during 2021-2022 academic year.

This is evidenced in the following table of the 2021 results. It is important to note that the School has been impacted by the recent Coronavirus Pandemic and subsequent periods of lockdown. However, despite these factors, the School has maintained its diligence and duty of care for both the Academic and Social aspects of Education.

Date	Award	Number of Students Entered	Pass Rate	% Pass
June 2021	English Functional Skills Level 1	5	5/5	100%
	English Functional Skills Level 2	7	8/8	100%
	Maths Functional Skills Level 1	8	8/8	100%
	Maths Functional Skills Level 2	8	8/9	89%
	ICT Level 1	5	5/5	100%
	ICT Level 2	3	3/4	75%
	IMI Motor Vehicle Award	17	17/17	100%
	IMI Motor Vehicle Certificate	3	3/3	100%
	BTEC Construction Award	12	12/12	100%
	BTEC Construction Certificate	2	2/2	100%
	BTEC Construction Extended Certificate	9	9/9	100%
	PSHEE	4	4/4	100%
	Citizenship	3	3/3	100%
	Sex and Relationships	7	7/7	100%
	Emergency First Aid in the Workplace Level 3	8	8/8	88%
	Duke of Edinburgh Bronze Award	6	6/6	100%
	Duke of Edinburgh Silver Award	2	2/2	100%

To further improve pupils' outcomes it is evident that the School must:

- Continue with the evaluation of our curriculum offer, lesson planning and ILPs.
- Continue to support English and Maths GCSE examination routes for dual registered students where appropriate.
- Maintain and develop alternative accreditation routes for full time students to be rewarded for their work.
- Offer a consistent quality of tuition in academic studies by all staff.
- Continue to provide Tutors with Professional Development regarding their Teaching and Learning strategies and maintain a robust framework of Assessment that accurately reflects areas for individual development and target setting.

## Community Work

Social Enterprise activities have been limited during this period due to the Pandemic, Lockdowns and social distancing. Prior to the outbreak of COVID-19 Students concentrated upon the production of decorative garden ornaments constructed of concrete; bird boxes and insect houses made of wood, all of which have been offered for sale to local businesses who share the Industrial Estate and Visitors to the school.

Our usual Charity fund raising events have had to be cancelled due to Covid 19 restrictions.

## Future Plans

The School Improvement Plan 2018 - 2021 is continuing with the vast majority of the success criteria being met within specified timescales. It is anticipated that by September 2021 all aspects will be completed. The Trustees have praised the work of all stakeholders in their achievements thus far. The four main priorities are shown below.

1. Black Country Wheels School will continue to monitor and develop the physical nature of the school to enable students to benefit from a sustainable curriculum offer, in a safe, suitable environment for the delivery of both academic and vocational practical courses.

2. Teaching, Learning and Assessment. Curriculum development will ensure wider accreditation routes are available appropriate to students' abilities. Staff CPD ensures questioning deepens Students' understanding. Assessment promotes strategies to raise achievement, self-esteem and the final outcomes for Students.
3. School Systems. Staff CPD, Staffing Structure and Staff Appraisal, Succession Planning and Governance.
4. Improving Welfare of Students. Attendance remains an issue for a small minority of students. Existing strategies to be investigated further and new initiatives piloted to address this chronic barrier to learning and achievement.

Discussions continue to take place to extend the Local Offer insomuch as to provide an Alternative Programme for 16-19 year olds to help combat the NEET problem (Not in Education, Employment or Training). It is an opportunity for the School to increase its impact on the lives of young people who find it difficult to access mainstream colleges. The major difficulty to overcome remains the access to sustainable funding routes to enable not only the setup costs, but the employment of well-trained staff to deliver the qualifications. The school will continue to investigate.

### **Our Finances**

The financial statements show the Income as £662,952 and Expenditure as £539,651 other costs, the School has had a hard task to remain viable and solvent. As part of future financial planning, funding, negotiations with the LA are continuously reviewed as 100% of the income of the School arises from Local Authority Commissions (including Day Student places).

It should be noted that the School does benefit from 100% reduction in Business Rates on the property we use for our charitable purposes. However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the National Insurance Contributions we make.

The substantial benefits our School makes to the lives and prospects of the young people in our care, their families and the local community is something we are proud of and is without cost to the Exchequer.

### **Financial Health**

As stated, an increase in revenue is required for the School to maintain its provision for the young people it serves. The Trustees have due regard for the current financial situation and funds held by the School. There remains a concern that, unless the LA funding issue is successfully addressed, with long term agreements, the School faces an uncertain future.

During the Lockdown period a number of clerical staff were put onto the furlough scheme in line with Government guidance. This will continue until September 2021.

Notwithstanding the above, the closing value of our tangible assets, property, plant and equipment stands at £20,046.

The number of student places allocated by the DfE is a maximum of 100 for the School. The school currently operates at under 40% capacity. There is, therefore, sufficient room for expansion and the ability to increase income.

### **Reserves Policy**

The Trustees are cognizant that Local Authority funding is crucial for the solvency of the School and should this be withdrawn, then closure would swiftly follow.

It has been decided that Reserves of approximately £200,000 (approx. 40%) of this funding should be held to off-set any such situation. These funds would allow the School to maintain teaching staff in post for the short term whilst alternative funding is sourced. This Reserve will allow the School to provide education for those students remaining on roll and continue to operate.

## **Developments and Maintenance**

The internal re-structuring of the building continues and as the new curriculum areas are explored, it is anticipated that there will be some expenditure next year to fund these courses. Contingency funds have been allocated.

## **Ethos, Strategy and Policies**

The Ethos of the School remains constant:

To provide each young person with a positive experience of education within a curriculum framework that is based on nurturing individual talents and providing opportunities for personal development. This enables students to be self-aware and to learn the skills that will help them manage their work, their lives and their relationships in the future. Central to this is the school's aim to actively promote fundamental British values and inclusion, supported by social, educational and vocational networks. The school is committed to safeguarding young people in its care and all staff share this responsibility equally.

The School Improvement Plan is active, in line with the key priorities stated and enjoys full Trustee approval.

Trustees ensure that this is followed by regular contact with the School and the Senior Leadership Team. The School website contains detailed information, advice and guidance relating to Policies and may be accessed via: [www.bcwschool.co.uk](http://www.bcwschool.co.uk)

## **Governance**

Trustees give of their time freely and without cost to the School. No expenses were paid to Trustees during the last year. Trustees accept that they have overall responsibility for the management of the School albeit with the input of the Proprietor and Business Manager being highly regarded.

The day to day running of the School remains the remit of the Proprietor and her Senior Leadership Team, whilst the Trustees ensure the overarching ethos of the School is maintained.

## **Recruitment and Remuneration**

The Proprietor, assisted by her Senior Leadership Team, oversees the recruitment of all staff and determines the salary paid to each staff member. Whilst the Trustees delegate this responsibility to the Proprietor, the Chair monitors all such appointments and costings.

## **Risk Management**

A SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis is critically reviewed every Term and shared with Trustees. A more detailed analysis is reviewed annually that includes Student Welfare, Health and Safety, Financial Sustainability and Community Awareness Issues.

A Critical Incident Management Policy is also available for guidance and is reviewed annually.

A modest renovation to the Refectory area and replacement of some of the kitchen storage and equipment has taken place. Our expanding curriculum offer demands additional staff who have the necessary skill sets and qualifications to deliver qualifications. Funds are also earmarked for the employment of two SEND Teaching Assistants to enhance learning of our SEND students by providing one to one/two classroom support. Whilst the current Pandemic affects our development programme, it must be noted that the School remains proactive and plans for the future when restrictions are eased.

It is important to note that included in the credit balance is the contingency for operating the company for a period of time should the Commissioning Authority withdraw their support as outlined in our Reserves Policy.

The Trustees are satisfied that major risks have been identified and risks have been adequately mitigated by the School. It is accepted that such systems can only provide reasonable, but not absolute, assurance that risks have been well managed.

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## **Charity Trustees**

Mr Mitchell Bellis  
12D Inez  
Maypole Hill  
Halesowen  
West Midlands  
B63 2ND

Mr Justin Thomas  
6 Roberts Green Road  
West Midlands  
DY3 2BB

Alexandra Pejovic  
3A Perryfields Road  
Bromsgrove  
B61 8SY

Phillip Totney  
2 Ankadine Road  
Stourbridge  
DY8 4UG

**Proprietor/Headteacher: Jan Lear**

### **Contact Details:**

**Black Country Wheels, Unit 3/4 Gainsborough Trading Estate, Rufford Road, Stourbridge, West Midlands, DY9 7ND**

**Website:** [www.bcwschool.co.uk](http://www.bcwschool.co.uk)

**Charity No. 1157795**

### **Professional Advisors:**

**Bankers:** Barclays Bank, 27 Queensway, Halesowen B63 4AE

**Accountants:** Sandwell Accountancy Services, 30 Upper High St, Cradley Heath B64 5HY

**Insurances:** KGJ Insurance Brokers (Stourbridge) Ltd, 2 Hagley Rd, Stourbridge DY8 1QG

Company registration number: 06608327

Charity registration number: 1157795

# **Black Country Wheels**

(A company limited by guarantee)

**Annual Report and Financial Statements**

**for the Year Ended 30 June 2021**

## **Black Country Wheels**

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## **Black Country Wheels**

### **Reference and Administrative Details**

<b>Senior Management / Leadership Team</b>	Mrs J Lear, Head Teacher Mrs C Lear, School Business Manager Mr R Brown, Education Consultant
<b>Charity Registration Number</b>	1157795
<b>Company Registration Number</b>	06608327
<b>Registered Office</b>	The charity is incorporated in England. Old Bank Buildings Upper High Street Cradley Heath West Midlands B64 5HY
<b>Principal Office</b>	Gainsborough Trading Estate Rufford Road Stourbridge West Midlands DY9 7ND
<b>Independent Examiner</b>	Sandwell Accountancy Services Ltd Certified Public Accountants Old Bank Buildings Upper High Street Cradley Heath West Midlands B64 5HY
<b>Accountants</b>	Sandwell Accountancy Services Limited Old Bank Buildings Upper High Street Cradley Heath West Midlands B64 5HY

## **Black Country Wheels**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 June 2021.

#### **Objectives and activities**

##### ***Objects and aims***

To act as a resource for young people, within the West Midlands and surrounding areas, by providing advice and assistance and organizing programmes of physical, educational and other activities as a means of:

- Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.
- Advancing educational opportunities.
- Relieving unemployment.
- Providing recreational and leisure time activity in the interests of social welfare for young people who have need by reason of their age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such young people.

We aim to provide an Alternative Educational Offer within the surrounding areas for young people aged between 14 – 16 years old.

A full Trustees Report is available as a PDF from the Charities Commission website

##### ***Public benefit***

Students continue to raise funds for various charitable organisations. This year support has again been given to Macmillan Cancer Support (£149 was raised).

Community relations were improved by offering a free of charge "Car Valeting Service" for workers on the industrial estate. This proved to be popular and provided students with the opportunity to produce advertising posters to publicise the event. Litter picks around communal areas have also been a feature of this years work.

Social Enterprise Activities have concentrated upon the production of bird boxes, planters and the cultivation of flowers, small shrubs, fruit and vegetables. Pre-planted containers have been for sale to local businesses who share the industrial estate.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Financial review**

##### ***Policy on reserves***

The Trustees are cognizant that the local authority funding is crucial for the solvency of the school and should this be withdrawn then closure would swiftly follow.

It has been decided that reserves of approximately £200,000 of this funding should be held to off-set any such situation. These funds would allow the school to maintain teaching staff in post for the short term whilst alternative funding is sourced. This reserve will allow the school to provide education for those students remaining on roll and continue to operate.

## **Black Country Wheels**

### **Trustees' Report**

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Ms A Pejovic
	Mr P J Totney
	Mr M Bellis
	Mr R J Thomas

Senior Management / Leadership Team:	Mrs J Lear
	Mrs C Lear
	Mr R Brown

#### **Structure, governance and management Financial Instruments**

##### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

##### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

##### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

##### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

## Black Country Wheels

### Trustees' Report

#### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Black Country Wheels for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 its incoming resources and application of resources, including its income and expenditure, for that period. 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 Charities SORP;
- 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 in the financial statements; and
- 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 28 March 2022 and signed on its behalf by:



Mr M Bellis  
Trustee

## **Black Country Wheels**

### **Independent Examiner's Report to the trustees of Black Country Wheels ("the Company")**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2021.

#### **Responsibilities and basis of report**

As the charity's 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 Black Country Wheels 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 charity'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.

## Black Country Wheels

### Independent Examiner's Report to the trustees of Black Country Wheels ("the Company")

#### Independent examiner's statement

Since Black Country Wheels's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Certified Public Accountants, 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:

1. accounting records were not kept in respect of Black Country Wheels 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 by charities [applicable to charities preparing their accounts in accordance with the Financial 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.



Sandwell Accountancy Services Limited  
Certified Public Accountants  
The Association of Certified Public Accountants

Old Bank Buildings  
Upper High Street  
Cradley Heath  
West Midlands  
B64 5HY

Date: 29 March 2022

## Black Country Wheels

### Statement of Financial Activities for the Year Ended 30 June 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	21,597	21,597
Charitable activities	4	636,405	636,405
Other income	5	4,950	4,950
<b>Total income</b>		<b>662,952</b>	<b>662,952</b>
<b>Expenditure on:</b>			
Charitable activities	7	(539,651)	(539,651)
<b>Total expenditure</b>		<b>(539,651)</b>	<b>(539,651)</b>
<b>Net income</b>		<b>123,301</b>	<b>123,301</b>
<b>Net movement in funds</b>		<b>123,301</b>	<b>123,301</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		501,827	501,827
Total funds carried forward	18	625,128	625,128

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	5,404	5,404
Charitable activities	4	559,421	559,421
<b>Total income</b>		<b>564,825</b>	<b>564,825</b>
<b>Expenditure on:</b>			
Charitable activities	7	(550,782)	(550,782)
<b>Total expenditure</b>		<b>(550,782)</b>	<b>(550,782)</b>
<b>Net income</b>		<b>14,043</b>	<b>14,043</b>
<b>Net movement in funds</b>		<b>14,043</b>	<b>14,043</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		487,784	487,784
Total funds carried forward	18	501,827	501,827

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2020 is shown in note 18.

The notes on pages 9 to 20 form an integral part of these financial statements.

## Black Country Wheels

(Registration number: 06608327)  
Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	20,046	17,681
<b>Current assets</b>			
Debtors	13	101,047	43,574
Cash at bank and in hand	14	<u>532,772</u>	<u>472,161</u>
		633,819	515,735
<b>Creditors: Amounts falling due within one year</b>	15	<u>(28,737)</u>	<u>(31,589)</u>
<b>Net current assets</b>		<u>605,082</u>	<u>484,146</u>
<b>Net assets</b>		<u>625,128</u>	<u>501,827</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>625,128</u>	<u>501,827</u>
<b>Total funds</b>	18	<u>625,128</u>	<u>501,827</u>

For the financial year ending 30 June 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 20 were approved by the trustees, and authorised for issue on 28 March 2022 and signed on their behalf by:



Mr M Bellis  
Trustee

The notes on pages 9 to 20 form an integral part of these financial statements.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **1 Charity status**

The charity is limited by share capital, incorporated in England.

The address of its registered office is:

Old Bank Buildings  
Upper High Street  
Cradley Heath  
West Midlands  
B64 5HY

The principal place of business is:

Gainsborough Trading Estate  
Rufford Road  
Stourbridge  
West Midlands  
DY9 7ND

Authorised for issue date

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Black Country Wheels meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Gifts in kind**

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and fittings	20% Reducing balance basis
Office equipment	20% Reducing balance basis
Motor vehicles	20% Reducing balance basis
Plant and machinery	20% Reducing balance basis

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial Instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## **Black Country Wheels**

### **Notes to the Financial Statements for the Year Ended 30 June 2021**

#### ***Debt instruments***

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### **3 Income from donations and legacies**

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	632	632
Grants, including capital grants;		
Government grants	20,965	20,965
<b>Total for 2021</b>	<b>21,597</b>	<b>21,597</b>
<b>Total for 2020</b>	<b>5,404</b>	<b>5,404</b>

### **4 Income from charitable activities**

	Unrestricted funds General £	Total funds £
Running of educational scheme	636,405	636,405
<b>Total for 2021</b>	<b>636,405</b>	<b>636,405</b>
<b>Total for 2020</b>	<b>559,421</b>	<b>559,421</b>

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 5 Other income

	Unrestricted funds General £	Total funds £
Rental income	4,950	4,950
<b>Total for 2021</b>	<b>4,950</b>	<b>4,950</b>

#### 6 Expenditure on raising funds

**Total  
costs  
£**

#### 7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Running of educational scheme		19,985	19,985
Governance costs		519,666	519,666
<b>Total for 2021</b>		<b>539,651</b>	<b>539,651</b>
<b>Total for 2020</b>		<b>550,782</b>	<b>550,782</b>

**Total  
expenditure  
£**

In addition to the expenditure analysed above, there are also governance costs of £519,666 (2020 - £529,287) which relate directly to charitable activities. See note for further details.

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	297,046	266,942
Pension costs	4,233	4,192
Other staff costs	29,106	50,178
	<u>330,385</u>	<u>321,312</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Employees	<u>11</u>	<u>9</u>

7 (2020 - 8) of the above employees participated in the Defined Contribution Pension Schemes.

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

#### 10 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	<u>4,852</u>	<u>4,148</u>

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 12 Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 July 2020	54,637	14,700	69,337
Additions	7,299	-	7,299
At 30 June 2021	<u>61,936</u>	<u>14,700</u>	<u>76,636</u>
<b>Depreciation</b>			
At 1 July 2020	39,244	12,412	51,656
Charge for the year	4,601	333	4,934
At 30 June 2021	<u>43,845</u>	<u>12,745</u>	<u>56,590</u>
<b>Net book value</b>			
At 30 June 2021	<u>18,091</u>	<u>1,955</u>	<u>20,046</u>
At 30 June 2020	<u>15,393</u>	<u>2,288</u>	<u>17,681</u>

#### 13 Debtors

	2021 £	2020 £
Trade debtors	101,050	42,382
Accrued income	(3)	(15)
Other debtors	-	1,207
	<u>101,047</u>	<u>43,574</u>

#### 14 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>532,772</u>	<u>472,161</u>

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	18,288	15,722
Other taxation and social security	6,216	11,633
Other creditors	919	933
Accruals	<u>3,314</u>	<u>3,301</u>
	<u>28,737</u>	<u>31,589</u>

#### 16 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,233 (2020 - £4,192).

#### 17 Share capital

#### 18 Funds

	Balance at 1 July 2020 £	Incoming resources £	Resources expended £	Balance at 30 June 2021 £
<b>Unrestricted funds</b>				
General	<u>501,827</u>	<u>662,952</u>	<u>(539,651)</u>	<u>625,128</u>
	Balance at 1 July 2019 £	Incoming resources £	Resources expended £	Balance at 30 June 2020 £
<b>Unrestricted funds</b>				
General	<u>487,784</u>	<u>564,825</u>	<u>(550,782)</u>	<u>501,827</u>

## Black Country Wheels

### Notes to the Financial Statements for the Year Ended 30 June 2021

#### 19 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 30 June 2021 £
Tangible fixed assets	20,046	20,046
Current assets	633,819	633,819
Current liabilities	<u>(28,737)</u>	<u>(28,737)</u>
Total net assets	<u>625,128</u>	<u>625,128</u>
	Unrestricted funds General £	Total funds at 30 June 2020 £
Tangible fixed assets	17,681	17,681
Current assets	515,735	515,735
Current liabilities	<u>(31,589)</u>	<u>(31,589)</u>
Total net assets	<u>501,827</u>	<u>501,827</u>

#### 20 Analysis of net funds

	At 1 July 2020 £	Financing cash flows £	At 30 June 2021 £
Cash at bank and in hand	<u>472,161</u>	<u>(472,161)</u>	<u>-</u>
Net debt	<u>472,161</u>	<u>(472,161)</u>	<u>-</u>
	At 1 July 2019 £	Financing cash flows £	At 30 June 2020 £
Cash at bank and in hand	<u>440,046</u>	<u>(440,046)</u>	<u>-</u>
Net debt	<u>440,046</u>	<u>(440,046)</u>	<u>-</u>

## Black Country Wheels

### Detailed Statement of Financial Activities for the Year Ended 30 June 2021

	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	21,597	5,404
Charitable activities (analysed below)	636,405	559,421
Other income (analysed below)	4,950	-
Total income	<u>662,952</u>	<u>564,825</u>
<b>Expenditure on:</b>		
Charitable activities (analysed below)	<u>(539,651)</u>	<u>(550,782)</u>
Total expenditure	<u>(539,651)</u>	<u>(550,782)</u>
Net income	<u>123,301</u>	<u>14,043</u>
Net movement in funds	123,301	14,043
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>501,827</u>	<u>487,784</u>
Total funds carried forward	<u>625,128</u>	<u>501,827</u>

## Black Country Wheels

### Detailed Statement of Financial Activities for the Year Ended 30 June 2021

	Total 2021 £	Total 2020 £
<b><i>Donations and legacies</i></b>		
Appeals and donations	632	-
UK Government grants	20,965	2,393
Donated assets for use by the charity	-	3,011
	<u>21,597</u>	<u>5,404</u>
<b><i>Charitable activities</i></b>		
Primary purpose trading	29,460	56,483
Contractual income from government or public authorities	606,945	502,938
	<u>636,405</u>	<u>559,421</u>
<b><i>Other income</i></b>		
Rental income	4,950	-
	<u>4,950</u>	<u>-</u>
<b><i>Charitable activities</i></b>		
Purchases	(19,985)	(21,495)
Wages and salaries	(297,046)	(266,942)
Staff pensions (Defined contribution) - pension scheme 1	(4,233)	(4,192)
Subcontract cost	(24,416)	(41,972)
Staff training	(1,256)	(1,934)
Health and safety	(3,434)	(6,272)
Rent	(80,706)	(95,019)
Rates	(7,075)	(4,810)
Light, heat and power	(12,155)	(17,385)
Repairs and renewals	(8,055)	(8,873)
Telephone and fax	(8,619)	(11,028)
Computer software and maintenance costs	(6,948)	(1,657)
Printing, postage and stationery	(2,704)	(4,394)
Trade subscriptions	20	(5,042)
Hire of plant and machinery (Operating leases)	(25,766)	(27,253)
Sundry expenses	(671)	(322)
Cleaning	(5,529)	(5,933)
Motor expenses	(1,133)	(858)
Advertising	(975)	(675)
Independent examiner's fee	(4,852)	(4,148)
Professional indemnity insurance	(18,088)	(16,326)
Bad debts written off	(560)	-
Bank charges	(87)	(91)
Other interest payable	(444)	7
Depreciation of plant and machinery	(2,056)	(2,150)

This page does not form part of the statutory financial statements.

## Black Country Wheels

### Detailed Statement of Financial Activities for the Year Ended 30 June 2021

	Total 2021 £	Total 2020 £
Depreciation of fixtures and fittings	(200)	(250)
Depreciation of motor vehicles	(333)	(415)
Depreciation of office equipment	(2,345)	(1,353)
	<u>(539,651)</u>	<u>(550,782)</u>

	2021 Unrestricted  General £	2021  Total £	Total 2020 £
<i>Donations and legacies</i>			
Appeals and donations	632	632	-
UK Government grants	20,965	20,965	2,393
Donated assets for use by the charity	-	-	3,011
	<u>21,597</u>	<u>21,597</u>	<u>5,404</u>

	2021 Unrestricted  General £	2021  Total £	Total 2020 £
<i>Charitable activities</i>			
Primary purpose trading	29,460	29,460	56,483
Contractual income from government or public authorities	606,945	606,945	502,938
	<u>636,405</u>	<u>636,405</u>	<u>559,421</u>

	2021 Unrestricted  General £	2021  Total £	Total 2020 £
<i>Charitable activities</i>			
Purchases	(19,985)	(19,985)	(21,495)
Wages and salaries	(297,046)	(297,046)	(266,942)
Staff pensions (Defined contribution) - pension scheme 1	(4,233)	(4,233)	(4,192)
Subcontract cost	(24,416)	(24,416)	(41,972)
Staff training	(1,256)	(1,256)	(1,934)

This page does not form part of the statutory financial statements.

## Black Country Wheels

### Detailed Statement of Financial Activities for the Year Ended 30 June 2021

	2021 Unrestricted	2021	Total 2020
	General £	Total £	£
Health and safety	(3,434)	(3,434)	(6,272)
Rent	(80,706)	(80,706)	(95,019)
Rates	(7,075)	(7,075)	(4,810)
Light, heat and power	(12,155)	(12,155)	(17,385)
Repairs and renewals	(8,055)	(8,055)	(8,873)
Telephone and fax	(8,619)	(8,619)	(11,028)
Computer software and maintenance costs	(6,948)	(6,948)	(1,657)
Printing, postage and stationery	(2,704)	(2,704)	(4,394)
Trade subscriptions	20	20	(5,042)
Hire of plant and machinery (Operating leases)	(25,766)	(25,766)	(27,253)
Sundry expenses	(671)	(671)	(322)
Cleaning	(5,529)	(5,529)	(5,933)
Motor expenses	(1,133)	(1,133)	(858)
Advertising	(975)	(975)	(675)
Independent examiner's fee	(4,852)	(4,852)	(4,148)
Professional indemnity insurance	(18,088)	(18,088)	(16,326)
Bad debts written off	(560)	(560)	-
Bank charges	(87)	(87)	(91)
Other interest payable	(444)	(444)	7
Depreciation of plant and machinery	(2,056)	(2,056)	(2,150)
Depreciation of fixtures and fittings	(200)	(200)	(250)
Depreciation of motor vehicles	(333)	(333)	(415)
Depreciation of office equipment	(2,345)	(2,345)	(1,353)
	<u>(539,651)</u>	<u>(539,651)</u>	<u>(550,782)</u>
			<b>2021</b>
			<b>Total</b>
			<b>£</b>
<b>Governance costs</b>			
Wages and salaries			(297,046)
Staff pensions (Defined contribution) - pension scheme 1			(4,233)
Subcontract cost			(24,416)
Staff training			(1,256)
Health and safety			(3,434)
Rent			(80,706)
Rates			(7,075)
Light, heat and power			(12,155)
Repairs and renewals			(8,055)
Telephone and fax			(8,619)
Computer software and maintenance costs			(6,948)

This page does not form part of the statutory financial statements.  
Page 24

## Black Country Wheels

### Detailed Statement of Financial Activities for the Year Ended 30 June 2021

	2021
	Total
	£
Printing, postage and stationery	(2,704)
Trade subscriptions	20
Hire of plant and machinery (Operating leases)	(25,766)
Sundry expenses	(671)
Cleaning	(5,529)
Motor expenses	(1,133)
Advertising	(975)
Independent examiner's fee	(4,852)
Professional indemnity insurance	(18,088)
Bad debts written off	(560)
Bank charges	(87)
Other interest payable	(444)
Depreciation of plant and machinery	(2,056)
Depreciation of fixtures and fittings	(200)
Depreciation of motor vehicles	(333)
Depreciation of office equipment	(2,345)
	<u>(519,666)</u>

# Black Country Wheels School

“Wheels, putting young people first”

<http://www.bcwschool.co.uk>



## Trustees' Annual Report for the Year Ending 30 June 2021

The Trustees of Black Country Wheels present their annual report and audited accounts for the year ended 30 June 2021 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102).

### Our Aims

We aim to provide an Alternative Educational Offer within the surrounding areas for young people aged between 14 – 16 years old.

### Our Objectives

To act as a resource for young people, within the West Midlands and surrounding areas, by providing advice and assistance and organizing programmes of physical, educational and other activities as a means of:

- Advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals.
- Advancing educational opportunities.
- Relieving unemployment.
- Providing recreational and leisure time activity in the interests of social welfare for young people who have need by reason of their age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such young people.

### Review of Activities and Achievements

Pupil numbers and income continually fluctuate due to the nature of the commissions by the Local Authority and Secondary Schools who send Day Students. Currently, Local Authority Student Places stands at 30 with a £16200.00 per student fee and provision for 6 SEND places at £16200.00 each if taken, paid over a 11 month period. Day Student Places are charged at £60.00 per day.

The School has the physical capacity to expand student numbers but is restricted by fiscal considerations.

### Academic

Functional Skills and Vocational Studies remain the core of the curriculum and numbers participating are relatively stable considering the economic situation of School funding for Day Students. ASDAN courses of study and accreditation continue to be delivered widening the curriculum offer; AoPE, CoPE and Bronze, Silver, Gold Awards.

During the school year 2020-2021 the Duke of Edinburgh Bronze Award programme was undertaken by a number of Year 11 students with several students undertaking the Silver Award. Some of the Year 10 cohort have undertaken the Bronze Award, allowing them to pursue the Silver Award during 2021-2022 academic year.

This is evidenced in the following table of the 2021 results. It is important to note that the School has been impacted by the recent Coronavirus Pandemic and subsequent periods of lockdown. However, despite these factors, the School has maintained its diligence and duty of care for both the Academic and Social aspects of Education.

Date	Award	Number of Students Entered	Pass Rate	% Pass
June 2021	English Functional Skills Level 1	5	5/5	100%
	English Functional Skills Level 2	7	8/8	100%
	Maths Functional Skills Level 1	8	8/8	100%
	Maths Functional Skills Level 2	8	8/9	89%
	ICT Level 1	5	5/5	100%
	ICT Level 2	3	3/4	75%
	IMI Motor Vehicle Award	17	17/17	100%
	IMI Motor Vehicle Certificate	3	3/3	100%
	BTEC Construction Award	12	12/12	100%
	BTEC Construction Certificate	2	2/2	100%
	BTEC Construction Extended Certificate	9	9/9	100%
	PSHEE	4	4/4	100%
	Citizenship	3	3/3	100%
	Sex and Relationships	7	7/7	100%
	Emergency First Aid in the Workplace Level 3	8	8/8	88%
	Duke of Edinburgh Bronze Award	6	6/6	100%
	Duke of Edinburgh Silver Award	2	2/2	100%

To further improve pupils' outcomes it is evident that the School must:

- Continue with the evaluation of our curriculum offer, lesson planning and ILPs.
- Continue to support English and Maths GCSE examination routes for dual registered students where appropriate.
- Maintain and develop alternative accreditation routes for full time students to be rewarded for their work.
- Offer a consistent quality of tuition in academic studies by all staff.
- Continue to provide Tutors with Professional Development regarding their Teaching and Learning strategies and maintain a robust framework of Assessment that accurately reflects areas for individual development and target setting.

## Community Work

Social Enterprise activities have been limited during this period due to the Pandemic, Lockdowns and social distancing. Prior to the outbreak of COVID-19 Students concentrated upon the production of decorative garden ornaments constructed of concrete; bird boxes and insect houses made of wood, all of which have been offered for sale to local businesses who share the Industrial Estate and Visitors to the school.

Our usual Charity fund raising events have had to be cancelled due to Covid 19 restrictions.

## Future Plans

The School Improvement Plan 2018 - 2021 is continuing with the vast majority of the success criteria being met within specified timescales. It is anticipated that by September 2021 all aspects will be completed. The Trustees have praised the work of all stakeholders in their achievements thus far. The four main priorities are shown below.

1. Black Country Wheels School will continue to monitor and develop the physical nature of the school to enable students to benefit from a sustainable curriculum offer, in a safe, suitable environment for the delivery of both academic and vocational practical courses.

2. Teaching, Learning and Assessment. Curriculum development will ensure wider accreditation routes are available appropriate to students' abilities. Staff CPD ensures questioning deepens Students' understanding. Assessment promotes strategies to raise achievement, self-esteem and the final outcomes for Students.
3. School Systems. Staff CPD, Staffing Structure and Staff Appraisal, Succession Planning and Governance.
4. Improving Welfare of Students. Attendance remains an issue for a small minority of students. Existing strategies to be investigated further and new initiatives piloted to address this chronic barrier to learning and achievement.

Discussions continue to take place to extend the Local Offer insomuch as to provide an Alternative Programme for 16-19 year olds to help combat the NEET problem (Not in Education, Employment or Training). It is an opportunity for the School to increase its impact on the lives of young people who find it difficult to access mainstream colleges. The major difficulty to overcome remains the access to sustainable funding routes to enable not only the setup costs, but the employment of well-trained staff to deliver the qualifications. The school will continue to investigate.

### **Our Finances**

The financial statements show the Income as £662,952 and Expenditure as £539,651 other costs, the School has had a hard task to remain viable and solvent. As part of future financial planning, funding, negotiations with the LA are continuously reviewed as 100% of the income of the School arises from Local Authority Commissions (including Day Student places).

It should be noted that the School does benefit from 100% reduction in Business Rates on the property we use for our charitable purposes. However, as an educational charity, we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the National Insurance Contributions we make.

The substantial benefits our School makes to the lives and prospects of the young people in our care, their families and the local community is something we are proud of and is without cost to the Exchequer.

### **Financial Health**

As stated, an increase in revenue is required for the School to maintain its provision for the young people it serves. The Trustees have due regard for the current financial situation and funds held by the School. There remains a concern that, unless the LA funding issue is successfully addressed, with long term agreements, the School faces an uncertain future.

During the Lockdown period a number of clerical staff were put onto the furlough scheme in line with Government guidance. This will continue until September 2021.

Notwithstanding the above, the closing value of our tangible assets, property, plant and equipment stands at £20,046.

The number of student places allocated by the DfE is a maximum of 100 for the School. The school currently operates at under 40% capacity. There is, therefore, sufficient room for expansion and the ability to increase income.

### **Reserves Policy**

The Trustees are cognizant that Local Authority funding is crucial for the solvency of the School and should this be withdrawn, then closure would swiftly follow.

It has been decided that Reserves of approximately £200,000 (approx. 40%) of this funding should be held to off-set any such situation. These funds would allow the School to maintain teaching staff in post for the short term whilst alternative funding is sourced. This Reserve will allow the School to provide education for those students remaining on roll and continue to operate.

## **Developments and Maintenance**

The internal re-structuring of the building continues and as the new curriculum areas are explored, it is anticipated that there will be some expenditure next year to fund these courses. Contingency funds have been allocated.

## **Ethos, Strategy and Policies**

The Ethos of the School remains constant:

To provide each young person with a positive experience of education within a curriculum framework that is based on nurturing individual talents and providing opportunities for personal development. This enables students to be self-aware and to learn the skills that will help them manage their work, their lives and their relationships in the future. Central to this is the school's aim to actively promote fundamental British values and inclusion, supported by social, educational and vocational networks. The school is committed to safeguarding young people in its care and all staff share this responsibility equally.

The School Improvement Plan is active, in line with the key priorities stated and enjoys full Trustee approval.

Trustees ensure that this is followed by regular contact with the School and the Senior Leadership Team. The School website contains detailed information, advice and guidance relating to Policies and may be accessed via: [www.bcwschool.co.uk](http://www.bcwschool.co.uk)

## **Governance**

Trustees give of their time freely and without cost to the School. No expenses were paid to Trustees during the last year. Trustees accept that they have overall responsibility for the management of the School albeit with the input of the Proprietor and Business Manager being highly regarded.

The day to day running of the School remains the remit of the Proprietor and her Senior Leadership Team, whilst the Trustees ensure the overarching ethos of the School is maintained.

## **Recruitment and Remuneration**

The Proprietor, assisted by her Senior Leadership Team, oversees the recruitment of all staff and determines the salary paid to each staff member. Whilst the Trustees delegate this responsibility to the Proprietor, the Chair monitors all such appointments and costings.

## **Risk Management**

A SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis is critically reviewed every Term and shared with Trustees. A more detailed analysis is reviewed annually that includes Student Welfare, Health and Safety, Financial Sustainability and Community Awareness Issues.

A Critical Incident Management Policy is also available for guidance and is reviewed annually.

A modest renovation to the Refectory area and replacement of some of the kitchen storage and equipment has taken place. Our expanding curriculum offer demands additional staff who have the necessary skill sets and qualifications to deliver qualifications. Funds are also earmarked for the employment of two SEND Teaching Assistants to enhance learning of our SEND students by providing one to one/two classroom support. Whilst the current Pandemic affects our development programme, it must be noted that the School remains proactive and plans for the future when restrictions are eased.

It is important to note that included in the credit balance is the contingency for operating the company for a period of time should the Commissioning Authority withdraw their support as outlined in our Reserves Policy.

The Trustees are satisfied that major risks have been identified and risks have been adequately mitigated by the School. It is accepted that such systems can only provide reasonable, but not absolute, assurance that risks have been well managed.

## **Charity Trustees**

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**Proprietor/Headteacher: Jan Lear**

### **Contact Details:**

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**Website:** [www.bcwschool.co.uk](http://www.bcwschool.co.uk)

**Charity No. 1157795**

### **Professional Advisors:**

**Bankers:** Barclays Bank, 27 Queensway, Halesowen B63 4AE

**Accountants:** Sandwell Accountancy Services, 30 Upper High St, Cradley Heath B64 5HY

**Insurances:** KGJ Insurance Brokers (Stourbridge) Ltd, 2 Hagley Rd, Stourbridge DY8 1QG