

Company registration number: 05994505

Charity registration number: 1120769

Ward End Community College Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2016

Dua Governance
Chartered Accountants and Business Advisors

Bradford Court,
123-131 Bradford Street
Birmingham
B12 0NS

Ward End Community College Limited

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Ward End Community College Limited

Strategic Report for the Year Ended 31 March 2016

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2016, in compliance with s414C of the Companies Act 2006.

Achievements and performance

In April 2007, the College registered as an independent school and in September 2007 secured lottery funding to run a family learning scheme for three years. This was completed successfully progressing to another lottery funded project called reaching communities to run over the next five-year period. This project has been running successfully.

The College has been inspected by Ofsted three times over this period, and it has met all the standard regulations. The pupil connect provision started in April 2007 and since then it has been running successfully; providing full time education to girls aged 14 to 16. In both of these projects the College has managed to produce excellent results. Since last year the Local Council has helped to accommodate all year 10 students in State schools and the newly arrived year 11 students to the other providers.

In addition to the above, the College building has a number of educational activities including a supplementary school for primary school children. The College provides GCSES and A-level weekend tuition to the local community. The popular subjects include a beauty therapy course, fashion and textiles, GCSE English and math's and English for speakers of other languages (ESOL). The attendance of the community students has been regular and we haven't had any problems as far as numbers are concerned.

The members of staff are well trained, motivated and experienced. They get on well with the students and the local community, and they motivate the students to achieve excellent results. The education provision has been inspected by the big lottery a number of times with positive feedback on tutor performance.

Financial review

The College attracted income of £60.4k (2015: £83.8k) during the year, £16.7k (2015: £66.5k) from Big lottery funding and £43.7k (2015: £13.2k) from Birmingham City Council. After spending £55.3k (2015: £80.5k), there was a total net movement of £5.2k (2015: (£3.2k)). After applying the in year movement, the College has total funds of £4.7k (2015: negative £458).

During the year the Birmingham City Council grant has increased, due to the increase in the number of students.

As the five-year contract has ended for the Big Lottery Funding, explaining the fall in funding from Big Lottery.

Policy on reserves

The year end reserves are at £4,729 (2015: negative £458) - this shows an improvement over prior year. The Trustees are confident that the increase in Birmingham City Council funding will help to improve the level of reserves.

Plans for future periods

Activities planned to achieve aims

A new application has been submitted for Big Lottery, and we are waiting for its approval, so we can further develop our objectives.

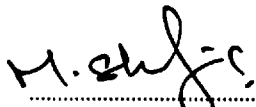
Principal risks and uncertainties

Lack of funding

Lack of funding can impact the ability of the College to deliver its services.

New applications have been made to additional funding. The College has a history of being able to deliver as per grant terms. This provides an edge to the College when making new applications for funding.

The strategic report was approved by the trustees of the Charity on 21.11.16 and signed on its behalf by:



Mr Muhammad Sharif
Trustee

Ward End Community College Limited

Trustees' Report

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

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 31 March 2016.

Appointment of trustees

No new trustees have been appointed in the period. Any new trustees are nominated by members of the board of trustees, interviewed and then appointed where they have the necessary skills and knowledge to contribute to the charity's development and management.

Trustee induction and training

The new trustees are briefed on their legal obligations under charity laws and regulations, the committee and decision making process, the recent financial performance and the future plans and objectives of the charity.

Objectives and activities

Objects and aims

The charity's objective and its principal activity to promote the provision of education and training, preparing individuals for either further education or employment. The college building is maintained and used for this purpose.

Public benefit

The strategic report sets out the activities undertaken to further public benefit.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

Ward End Community College Limited is a charitable company limited by guarantee, incorporated on the 10 Nov 2006. Ward End Community College Limited, registered with the Charity Commission on the 5 Sept 2007. It is governed by a memorandum and articles of association adopted on the 26 July 2007 and seeks to promote education and training.

Recruitment and appointment of trustees

No new trustees have been appointed in the period. Any new trustees are nominated by members of the board of trustees, interviewed and then appointed where they have the necessary skills and knowledge to contribute to the charity's development and management.

Induction and training of trustees

The new trustees are briefed on their legal obligations under charity laws and regulations, the committee and decision making process, the recent financial performance and the future plans and objectives of the charity.

Ward End Community College Limited

Trustees' Report

Major risks and management of those risks

Lack of funding

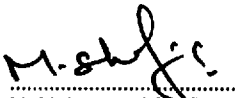
Lack of funding can impact the ability of the College to deliver its services.

New applications have been made to additional funding. The College has a history of being able to deliver as per grant terms. This provides an edge to the College when making new applications for funding.

Reference and Administrative Details

Trustees	Sultan Fiaz Ul Hassan Mr Muhammad Shafiq Sultan Niaz Ul Hassan Mr Munir Ahmed
Secretary	Mr Shahab Faiq
Principal Office	962-968 Alum Rock Road Ward End Birmingham West Midlands B8 2LS
Company Registration Number	05994505
Charity Registration Number	1120769
Bankers	HSBC Bank pic P O Box 68 130 New Street Birmingham B2 4JU
Independent Examiner	Dua Governance Chartered Accountants and Business Advisors Bradford Court, 123-131 Bradford Street Birmingham B12 0NS

The annual report was approved by the trustees of the Charity on 15/11/16 and signed on its behalf by:


.....
Mr Muhammad Shafiq
Trustee

Ward End Community College Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Ward End Community College Limited for the purposes of company law) are responsible for preparing the 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.

Ward End Community College Limited

Independent Examiner's Report to the trustees of Ward End Community College Limited

I report on the accounts of the Charity for the year ended 31 March 2016 which are set out on pages 6 to 12 .

Your attention is drawn to the fact that the Charity has prepared the Financial Statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

(1) which gives me a 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.


.....
Nasir Rafiq BA, FCA

Chartered Accountants and Business Advisors

Bradford Court,
123-131 Bradford Street
Birmingham
B12 0NS

Date: 15.11.16

Ward End Community College Limited

**Statement of Financial Activities for the Year Ended 31 March 2016
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Total 2016 £
Income and Endowments from:				
Donations and legacies	2	-	60,485	60,485
Total Income		-	60,485	60,485
Expenditure on:				
Charitable activities	4	-	(64,298)	(64,298)
Total Expenditure		-	(64,298)	(64,298)
Net expenditure		-	(3,813)	(3,813)
Net movement in funds		-	(3,813)	(3,813)
Reconciliation of funds				
Total funds brought forward		225	(683)	(458)
Total funds carried forward	13	<u>225</u>	<u>(4,496)</u>	<u>(4,271)</u>

	Note	Unrestricted funds £	Restricted funds £	Total 2015 £
Income and Endowments from:				
Donations and legacies	2	-	82,131	82,131
Other trading activities	3	-	1,700	1,700
Total Income		-	83,831	83,831
Expenditure on:				
Charitable activities	4	-	(80,553)	(80,553)
Total Expenditure		-	(80,553)	(80,553)
Net income		-	3,278	3,278
Net movement in funds		-	3,278	3,278
Reconciliation of funds				
Total funds brought forward		225	(3,961)	(3,736)
Total funds carried forward	13	<u>225</u>	<u>(683)</u>	<u>(458)</u>

All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2015 is shown in note 13.

Ward End Community College Limited

(Registration number: 05994505)
Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Current assets			
Debtors	10	6,650	2,415
Cash at bank and in hand		<u>1,441</u>	<u>1,128</u>
		8,091	3,543
Creditors: Amounts falling due within one year	11	<u>(12,362)</u>	<u>(4,001)</u>
Net liabilities		<u>(4,271)</u>	<u>(458)</u>
Funds of the Charity:			
Restricted Income funds		4,496	683
Unrestricted Income funds			
Unrestricted income funds		<u>(225)</u>	<u>(225)</u>
Total funds	13	<u>4,271</u>	<u>458</u>

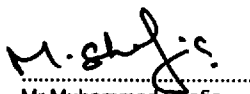
For the financial year ending 31 March 2016 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 12 were approved by the trustees, and authorised for issue on 15/04/16 and signed on their behalf by:


.....
Mr Muhammad Shafiq
Trustee

Ward End Community College Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1 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) (effective 1 January 2015) - (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

Ward End Community College Limited 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.

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.

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.

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 Trustee's meetings and reimbursed expenses.

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.

Ward End Community College Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

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.

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.

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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Restricted funds £	Total 2016 £	Total 2015 £
Grants, including capital grants;			
Birmingham City Council	43,750	43,750	13,230
Grants from other charities	-	-	2,360
Big Lottery Funding	16,735	16,735	66,541
	<u>60,485</u>	<u>60,485</u>	<u>82,131</u>

3 Income from other trading activities

	Total 2016 £	Total 2015 £
Trading income;		
Sales of goods and services	-	1,700
	<u>-</u>	<u>1,700</u>

Ward End Community College Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

4 Expenditure on charitable activities

	Activity undertaken directly £	Total 2016 £	Total 2015 £
Employment Costs	32,960	32,960	40,178
Establishment Costs	26,259	26,259	34,933
Office Expenses	2,469	2,469	3,633
Governance	2,610	2,610	1,809
	<u>64,298</u>	<u>64,298</u>	<u>80,553</u>

In addition to the expenditure analysed above, there are also governance costs of £2,610 (2015 - £1,809) which relate directly to charitable activities. See note 5 for further details.

5 Analysis of governance and support costs

Governance costs

	Restricted funds £	Total 2016 £	Total 2015 £
Independent Examiner's remuneration	1,620	1,620	1,809
Legal fees	990	990	-
	<u>2,610</u>	<u>2,610</u>	<u>1,809</u>

6 Net Incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

2016
£

7 Trustees remuneration and expenses

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

8 Staff costs

The aggregate payroll costs were as follows:

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	29,159	36,829
Social security costs	839	1,167
	<u>29,998</u>	<u>37,996</u>

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

Ward End Community College Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

9 Taxation

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

10 Debtors

	2016 £	2015 £
Trade debtors	<u>6,650</u>	<u>2,415</u>

11 Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	41	2,401
Accruals	<u>12,321</u>	<u>1,600</u>
	<u>12,362</u>	<u>4,001</u>

12 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the Charity in the event of liquidation.

13 Funds

	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Balance at 31 March 2016 £
Unrestricted funds				
Unrestricted general funds	(225)	-	-	(225)
Restricted funds	<u>683</u>	<u>(60,485)</u>	<u>64,298</u>	<u>4,496</u>
Total funds	<u>458</u>	<u>(60,485)</u>	<u>64,298</u>	<u>4,271</u>

14 Related party transactions

Hazrat Sultan Bahu Trust (Charity reg 292697)

Trustees, Sultan Fiaz UI Hassan and Sultan Niaz UI Hassan, are also Trustees of Hazrat Sultan Bahu Trust. The following transaction are included within the accounts:

- Rent £17,000 (2015: £24,000)
- Creditors £9,000 (2015: nil)

Sultan Bahu Centre Ltd (Charity Reg 1137312)

Trustees, Sultan Fiaz UI Hassan and Sultan Niaz UI Hassan and Mr Muhammad Shafiq are also Trustees of Sultan Bahu Centre Ltd.

The following transaction are included within the accounts:

- Creditors nil (2015: £1,789)

15 Transition to FRS 102

Ward End Community College Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or net income and expenditure.

The accounts for the year from 1 April 2015 to 31 March 2016 are the first to be prepared under FRS 102; the accounts for the year ending 31 March 2015 were prepared under the previous financial reporting framework.