

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

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2017

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WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Year ended 31 March 2018

Directors/Trustees

F Noor (Chair)
M S Sheikh
R Roohany
S M Dickinson
S Farrelly
I Williams

Operations Manager/Company Secretary

P Evans

Independent Examiner

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

Bankers

Unity Trust Bank plc
Nine Brindley Place
Birmingham
B12HB

Santander
Bridle Road
Bootle
Merseyside
L304GB

Solicitors

Band Hatton Button & Co
Solicitors
Coventry

Registered office

12 Victoria Street
Hillfields
Coventry. CV1 5LZ

Registered numbers

Charity : 1112123
Company : 3548462

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2018

Structure, Governance and Management

Governing Document

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

Recruitment, Appointment, Induction and Training of New Trustees

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

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

Organisational Structure

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

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

Related Parties

During the year the organisation received IT services amounting to £4,266 from Cipher -IT Ltd , a company controlled by one of the directors, Mr S M Dickinson. No amounts were outstanding at 31st March 2018.

Risk Management

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

Objectives and Activities

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

Continued

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2018

Achievements and Performance

In the past 12 months WATCH Charity has continued to develop new income streams, partnership agreements and secure funding to sustain the organisation until March 2020. The company's overall income increased by a third enabling management to retain and increase staffing levels to deliver projects and services that support the needs of the local community. This income growth has also allowed works and extensive repairs to be carried out at the centre ensuring this community facility remains fit for purpose draws new business opportunities and retains its value.

Our principal funding sources for the year include; BBC Children In Need, European Social Fund, Jumping Through Hoops, Heart of England Community Foundation Coventry City Council, Tudor Trust and WMP Active Citizenship Fund. Our Community Radio Project HillzFM, continues to provide valuable resource to the organisation with the potential to generate income through our unique introduction to radio training, advertisement, and sponsorship packages.

Financial Review

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

Future Plans

Develop a 5 year strategic Business Plan
Increase the free reserves of the charity by 20% in 2019
Become 50% less grant dependant by 2020
Develop a Young People's Enterprise Hub by 2019
Increase membership by 25% over the next 12 months

Responsibilities of the Trustee Board

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

Continued

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Trustees' Report for the year ended 31 March 2018

Company law requires the trustees to prepare financial statements for each financial year. These statements should give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required

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

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy, the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

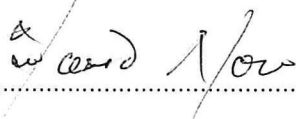
This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Independent Examiner

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

Approval

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

A handwritten signature in black ink, appearing to read 'Akbar Dedat', is written over a horizontal dotted line.

9th November 2018

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED

(A Company Limited by Guarantee)

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

I report on the accounts of the company for the year ended 31st March 2018 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the charity is not subject to audit under company law and is eligible for
** examine the accounts under section 145 of the 2011 Act;*

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

** state whether particular matters have come to my attention.*

Basis of independent examiner's report

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

Independent examiner's statement

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

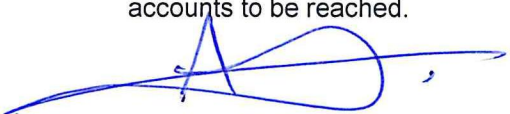
1) which gives me reasonable cause to believe that, in any material respect, the requirements:

** to keep accounting records in accordance with section 386 of the Companies Act 2006; and*

** to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities*

have not been met; or

2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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

9th November 2018

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Statement Of Financial Activities (Income and Expenditure Account)
for the year ended 31st March 2018

	Notes	Restricted	Unrestric - ted	2018	2017
		£	£	£	£
INCOMING RESOURCES					
Charitable Activities					
General Fund		-	18,467	18,467	6,376
Coventry City Council Placements		-	4,992	4,992	4,810
ESF - Accelerate Project		68,452	-	68,452	48,410
ESF - Exceed		57,942	-	57,942	-
Tudor Trust		16,000	-	16,000	34,000
BBC Children in Need		45,233	-	45,233	43,612
Radio Education		-	539	539	453
Radio Station Advertising		-	753	753	785
Jumping Through Hoops		25,000	-	25,000	25,000
Citizens Advice		2,970	-	2,970	-
Awards For All		9,476	-	9,476	-
Youth Social Action Fund		4,515	-	4,515	-
Heart of England Foundation		-	-	0	1,000
CCC - Peace Festival		1,500	-	1,500	1,500
PHT Grant		1,662	-	1,662	14,957
West Midlands Police		-	-	0	5,000
Active Citizens		2,500	-	2,500	2,000
Venue Hire		-	5,693	5,693	-
Rental Income - CCC Library		-	11,000	11,000	-
Total incoming resources		235,250	41,444	276,694	187,903
RESOURCES EXPENDED					
Cost of Charitable Activities					
Staff Costs (including training)		183,984	-	183,984	102,143
Beneficiary Costs		-	-	-	3,488
Radio Station costs		2,393	1,273	3,666	2,753
Sundries		1,418	200	1,618	-
Equipment and Software		8,916	-	8,916	3,541
Depreciation		-	195	195	4,260
Subscriptions, Newspapers, Magazines		2,545	-	2,545	150
Payroll and consultancy fees		-	939	939	552
Bank charges		-	265	265	5,424
Loan interest		-	944	944	44
Insurance		-	2,305	2,305	2,212
Rates		2,358	-	2,358	2,198
Light and Heat		4,441	-	4,441	3,256
Cleaning		1,235	-	1,235	913
Property Repairs and Maintenance		-	9,620	9,620	7,902
Postage and Stationery		4,664	-	4,664	2,079
Telephone and Internet		857	-	857	780
Office Equipment Hire		3,200	2,400	5,600	5,275
		216,011	18,141	234,152	146,970
Governance costs					
Professional charges		-	2,100	2,100	1,500
Total resources expended		216,011	20,241	236,252	148,470
NET INCOMING RESOURCES		19,239	21,203	40,442	39,433
Transfers re: previous periods		-12,274	12,274	-	-
Revaluation Reserve		-	-	42,000	-
Library Grant Received		-	-	20,000	-
Fund Balances at 1st April 2017		61,611	165,399	227,010	187,577
Fund Balances at 31st March 2018		68,576	198,876	329,452	227,010

All of the company's activities are continuing activities.

Except for property revaluation all of the gains and losses were recognised for the current and preceding accounting period.

WORKING ACTIVELY TO CHANGE HILLFIELDS LIMITED
(A Company Limited by Guarantee)
Balance Sheet as at 31st March 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	3	<u>250,583</u> 250,583	<u>188,778</u> 188,778
Current assets			
Debtors	4	38,679	20,635
Cash at bank and in hand	5	<u>73,631</u> 112,310	<u>47,249</u> 67,884
Creditors: amounts falling due within one year	6	(11,009)	(6,386)
Net current assets/(liabilities)		<u>101,301</u>	<u>61,498</u>
Total assets less current liabilities		<u>351,884</u>	<u>250,276</u>
Creditors: amounts falling due after one year	7	(22,432)	(23,266)
Net assets		<u><u>329,452</u></u>	<u><u>227,010</u></u>
Funds			
Restricted funds	12	68,576	61,611
Unrestricted funds	13	198,876	165,399
Revaluation Reserve	3	42,000	-
Capital Grant		<u>20,000</u>	<u>-</u>
		<u><u>329,452</u></u>	<u><u>227,010</u></u>

Company Registration No: 3548462

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


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

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

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

The financial statements on pages 6 to 12 were approved and authorised for issue by the directors on 9th November 2018.

Approved by Trustees/Directors:


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X

WORKING ACTIVELY TO CHANGE HILLFIELD LIMITED

(A Company Limited by Guarantee)

Notes to the accounts for the year ended 31st March 2018

1. Summary of significant accounting policies

(a) General information and basis of preparation

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

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

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

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

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

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

(b) Funds

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

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

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

(c) Income recognition

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

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

(d) Expenditure recognition

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

WORKING ACTIVELY TO CHANGE HILLFIELD LIMITED

(A Company Limited by Guarantee)

Notes to the accounts for the year ended 31st March 2018

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

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

(e) Tangible fixed assets

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

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

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

Revalued building - 50 years on straight line basis.

Office furniture and equipment - 25% reducing balance

Capital grants received are to be credited in line with the depreciation charge on the related fixed asset.

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

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

(g) Provisions

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

(h) Tax

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

(i) Going concern

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

2 Staff costs and numbers

Staff costs were as follows:-

	2018	2017
	£	£
Gross salaries	153,725	94,724
Social security costs	13,500	7,419
	<u>167,225</u>	<u>102,143</u>

The 2018 figures include sub-contractor costs.

No employee earned £60,000 (2017-£60,000) or more.

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

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

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD**(Company Limited by Guarantee)****Notes to the accounts for the year ended 31st March 2018**

	2018	2017
Accounts and Administration	2	1
Management	1	1
Service Providers	8	6
	<u>11</u>	<u>8</u>

3 Tangible Fixed Assets

	Office Equipment £	Land & Buildings £	Total £
Cost			
1st April 2017	210,567	200,000	410,567
Revaluation	-	50,000	50,000
Cost at 31st March 2018	<u>210,567</u>	<u>250,000</u>	<u>460,567</u>

Accumulated Depreciation

Balance at 1st April 2017	209,789	12,000	221,789
Depreciation in year	195		195
Adjustment on revaluation		-12,000	-12,000
Balance at 31st March 2018	<u>209,984</u>	<u>0</u>	<u>209,984</u>

Net Book Value

At 31st March 2018	<u>583</u>	<u>250,000</u>	<u>250,583</u>
At 31st March 2017	<u>778</u>	<u>188,000</u>	<u>188,778</u>

During December 2013 the freehold title of the land and building at 12 Victoria Street, Coventry, CV1 5LZ was transferred from Coventry City Council to Working Actively To Change Hillfields Limited. The land and building had been included in the financial statements at £200,000 in line with an open market valuation conducted by Loveitts Estate Agents, Coventry, CV3 1JA on 16 December 2013. After this date, the charity have spent monies on the roofing, windows, structural alterations and the trustees feel that the building valuation at 31st March 2018 would be at least £250,000.

4 Debtors	2018 £	2017 £
Grant providers	38,525	17,777
Other Debtors	154	2,858
	<u>38,679</u>	<u>20,635</u>

5 Cash at Bank and in Hand	2018 £	2017 £
Unity Trust Current Account	71,476	44,936
Santander Account	1,587	2,313
Cash in Hand	568	-
	<u>73,631</u>	<u>47,249</u>

6 Creditors: Amounts falling Due Within One Year

	2018 £	2017 £
Other Creditors	3,325	110
Taxation & Social Security	3,806	2,999
Accrued Expenses	2,100	1,500
Bank Loan - Unity	1,778	1,777
	<u>11,009</u>	<u>6,386</u>

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD

(Company Limited by Guarantee)

Notes to the accounts for the year ended 31st March 2018

7 Creditors: Amounts falling Due After One Year

	2018	2017
	£	£
Bank Loan - Unity	22,432	23,266
	<u>22,432</u>	<u>23,266</u>

8 Leasing Commitments

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

	2018	2017
	£	£
Operating leases which expire:		
within one year	-	-
within two to five years (Ricoh)	1,062	1,062
	<u>1,062</u>	<u>1,062</u>

9 Trustees Expenses

Travel costs amounting to £Nil (2017 £Nil) were reimbursed to members of the organising committee.

10 Taxation

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

11 Controlling Parties

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

12. Restricted Funds

	<u>Balance</u>	<u>Incoming</u>	<u>Outgoing</u>	<u>Balance</u>
	<u>01/04/17</u>	<u>Resources</u>	<u>Resources</u>	<u>31/03/2018</u>
	£	£	£	£
Membership reserves*	156			156
West Midlands Police- Active Large	2,500	2,500	3,434	1,566
BBC Children in Need	9,514	45,233	38,726	16,021
Youth Social Action fund		4,515	4,139	376
ESF - Accelerate	13,176	68,452	56,657	24,971
ESF - Exceed		57,942	57,942	-
Lloyds Bank Foundation	4,500		1,440	3,060
Tudor Trust	3,334	16,000	16,000	3,334
PHT Grant		1,662	1,662	-
CCC Peace Festival		1,500	1,500	-
Awards For All		9,476	5,384	4,092
Citizens Advice		2,970	2,970	-
West Midlands Police - Active Small	1,400		1,400	-
Jumping Through Hoops	14,757	25,000	24,757	15,000
	<u>49,337</u>	<u>235,250</u>	<u>216,011</u>	<u>68,576</u>

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

Purpose of Restricted Funds

BBC Children in Need (2014-17) to fund the salary costs of project staff.

Tudor Trust - (year 1 of 2 years funding) to part fund salary costs of centre manager

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

WORKING ACTIVELY TO CHANGE HILLFIELDS LTD**(Company Limited by Guarantee)****Notes to the accounts for the year ended 31st March 2018**

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

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

Jumping Through Hoops project (HoE) - to fund facilitator, management, admin support, equipment and venue hire costs.

WMP Active Citizenship Fund to fund equipment, events, volunteer expenses, admin and management costs

-People's Health Trust - to part fund the salary costs of a Community Engagement project officer

13.Unrestricted Funds	<u>Balance</u> <u>01/04/17</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>Transfers</u>	<u>Balance</u> <u>31/03/18</u>
	£	£	£	£	£
General Funds	<u>165,399</u>	<u>41,444</u>	<u>-20,241</u>	<u>12,274</u>	<u>198,876</u>

14. Analysis of Net Assets between Funds

	Restricted	Unrestricted	Revaluation	Capital Grant	Total
	£	£	£	£	£
Fixed Assets		188,583	42,000	20,000	250,583
Current Assets	102,017	10,293			112,310
Liabilities	<u>-33,441</u>				<u>-33,441</u>
	<u>68,576</u>	<u>198,876</u>	<u>42,000</u>	<u>20,000</u>	<u>329,452</u>