

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

for the 12 months to

30 September 2021

Company Number 3609502

Charity Number 1072523

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION
(A Company Limited by Guarantee)
INDEX
30 September 2021

	Page
INFORMATION	1
DIRECTORS REPORT	2 to 4
STATEMENT OF FINANCIAL ACTIVITIES	5
BALANCE SHEET	6
NOTES TO THE FINANCIAL STATEMENTS	7 to 12
INDEPENDENT EXAMINERS REPORT	13

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION
(A Company Limited by Guarantee)
INFORMATION as at
30 September 2021

DIRECTORS:

Mr C Cameron (Chair)
Mr N Davis (Treasurer)
Mr Cecil Richards
Mr Mark Cameron

NURSERY MANAGER
ADMIN AND OFFICE MANAGER

Claire Badger
Violet Coley

REGISTERED OFFICE:

69 Beeches Road
West Bromwich
West Midlands
B70 6HQ

COMPANY REGISTERED NUMBER:

3609502

CHARITY REGISTERED NUMBER:

1072523

BANKERS:

Lloyds Bank plc
University of Birmingham Branch
Arial House
2138 Coventry Rd
Birmingham B26 3JW

SOLICITORS:

Pearce Legal
2 The Square
Solihull
West Midlands
B91 3SQ

INDEPENDENT EXAMINER

G.P. Brookes FCA FCIE BSc
Chartered Accountant
130 Wombourne Park
Wombourne
S Staffs
WV5 0LY

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

30 September 2021

DIRECTORS REPORT

The Directors present their report and the financial statements for the 12 Months ended 30 September 2021

Structure Governance and Management

Sandwell & District West Indian Community Associations a charitable company limited by guarantee without having a Share Capital. The board of directors usually meet quarterly, are responsible for the ultimate strategic decisions having regard to advice from the Nursery Staff.

Trustee/Director Induction and training

New Trustee/Directors are chosen by invitation in order that the charity may have representation from a wide range of agencies. We match our skill requirements with knowledge and experience and where there are gaps we offer appropriate training.

There are no specific policies and procedures for induction / training of directors.

However they are inducted according to individual requirements. Copies of the Company's Memorandum and Articles publications are supplied, along with the charity's policies and procedures and copies of recent board meeting minutes and the latest Ofsted Report. Individual Trustees roles and responsibilities are negotiated with all the trustees so that their roles complement each other.

Objectives and Activities

The principal activity of the Company remains to be the advancement of the Community Provision in the area of Sandwell with the provision of facilities for the daily care, recreation and education of children under the age of 8 whose parents or guardians are resident in and around the Sandwell area.

Achievements and Performance

During the year the nursery the staff and management team who worked together to ensure that SADWICA maintained a consistently high standard of care that goes above and beyond the minimum requirements of the EYFS. This resulted in another 'Good' Rating from Ofsted when the nursery was inspected in February 2020.

- o Underwent extensive refurbishment with new signage, interior & exterior painting, new windows, kitchen remodelled with new cupboards and worktops, outdoor toy storage for the children, electrical upgrade and new night vision security cameras.
- o Maintained our service level agreement with Sandwell Council
- o Maintained staffing team during the lockdown.
- o As at 30/09/21 occupancy levels were at 52% and increasing steadily
- o Received a 5/5 Rating from Environmental Health

Nursery is comprehensively resourced with the most up to date educational resources and staff have received the most up to date training provided by the local Early Years & Childcare Unit. However, on 20th March 2020, due to the Covid 19 pandemic the nursery, along with all Early Years Settings had to close. A Furlough Scheme was introduced to retain staff during the closure period, so no-one was made redundant. Since reopening in June 2020, occupancy was very low and we made the decision to close for the Summer Holidays. Since reopening in September 2020, occupancy faltered as the 2nd and 3rd lockdowns required schools to close but not childcare settings. Since Easter 2021, occupancy has improved greatly especially children 18 months and under, causing our baby room to be full for the first time in years.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

30 September 2021

DIRECTORS REPORT

Future Plans

The organisation has continued to undertake the necessary ongoing restructuring to ensure a more effective childcare provision. This resulted in the nursery maintaining its Ofsted rating of GOOD when it was inspected in February 2020. This rating is essential for Sadwica in light of growing local competition in the local childcare market. Due to the Covid-19 pandemic the nursery, along with all Early Years settings was forced to close on 20th March 2020. The nursery continued to support children by providing work they can do at home and also providing parents with additional websites that can provide support and ideas for their childrens learning during lockdown. The nursery reopened on 8th June 2020, however only a small number of children returned and the decision was taken to close for the 6 week summer holidays. The nursery reopened again in September and there has been a steady increase in occupancy

Our focus for the next 12 months will be to increase our occupancy to at least pre-pandemic levels whilst continuing to provide a safe environment for staff and children.

The planned refurbishment work was completed in May 2021.

Strengthen our Management Committee through newly appointed Trustees, Parent Reps and the appointment of a new company secretary. We also continue to provide the quarterly monitoring reports to Sandwell Council as part of our SLA. At the current time we are unsure whether Sandwell Council will continue to fund the organisation as their funding of the Voluntary Sector is currently under review.

Significant contributions of volunteers

Our volunteer base initially expanded even further this year and we reaped the benefits of in-house training and seeing the benefits of spending more time involving volunteers at an involved level. Volunteers gained valuable experience in the areas of childcare, food preparation, Business Admin and maintenance. Being able to provide valuable experience to volunteers not just in the field of childcare is something we hope to continue at this level. However, due to the pandemic we have had to put this on hold due to health and safety concerns. We hope to restart this once it is safe to do so. We have employed 2 apprentices on a permanent basis once they completed their placements.

Financial Review

This 12 months reported period, compares with the previous 18 months accounts which were significantly impacted by national lockdown as a measure against the Pandemic CV19 . However careful management and the government furlough scheme grant income has resulted in a welcome surplus of £2,106 (CP surplus of £12,958 for the previous 18 month to 30 September 2020). surprisingly fees , wages and salaries levels were similar to the previous 18 Month period . This was because for the final 6 months of that reported reported the CV19 impact resulted in the number of parents seeking nursery support fell , unless they were classified by Government as 'essential workers'. Hence the nursery was able to sustain service provision albeit at a reduced level . The CV19 furlough Government support programme also enabled management to anticipate better the levels of income and therefore staff and related costs required. It is hoped that this proves once again that early years funding levels and statutory grants are vital ensuring a manageable full cost recovery basis of day to day provision. Directors and management input has been hampered in effectiveness over recent years with significant amounts of time needed to seek additional external income to supplement this virtually unworkable balance of fee and grant income streams needed for the required regulatory costs of staff, direct costs and overheads to ensure the medium and long term future of this, what is an absolutely invaluable local community facility.

Directors

The Directors set out on page 1 have held office for the whole of the year to 30 September 2021 to the date of this report unless otherwise stated.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

30 September 2021

DIRECTORS REPORT (continued)

Reserves Policy

Currently the company's reserves represent restricted capital funds received from various funders in previous periods.

Ideally the directors consider the following to be a basis for a designated reserve of £20,000 that should be set on one side for a possible winding up contingency fund.

Costs include senior staff redundancy (estimated at 3 months) £7,000, non senior staff redundancy (1 month) £9,000, overheads (approximately 1 month) £4,000.

Sadwica has not reached a trading or grant negotiating position to be able to build in a sufficient level of surplus within its income stream and to achieve this goal.

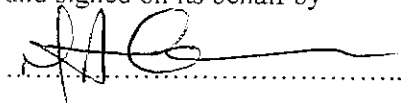
Risk Management is an on going matter reassessed at trustees meetings. It is considered that the main risks are related to current local market conditions and the resulting reduced occupancy levels together with the general shortfall of grants to underpin a community provision like this in an economically deprived area.

Directors Responsibilities

Company Law required the Directors to prepare financial statements for each financial period which give a true and fair view of the state of the Company as at the end of the financial period and of the income and expenditure of the Company for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed, to the best of the Directors knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. Applicable accounting standards have been followed. The Directors are also required to indicate where the financial statements are prepared on the basis that the Company is a going concern .

The Directors are responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Company's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Company's books of account and transactions. The Directors are also responsible for ensuring that arrangements are made to safeguard the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Directors on 5th July 2022
and signed on its behalf by



Director (PRINT NAME) MARK CAMERON

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Statement of Financial Activities (includes summary of income and expenditure)

For the 12 Months ended 30 September 2021

	Notes	Unrestricted Funds 2021 £ year	Restricted Funds 2021 £ year	Total Funds 2021 £ year	Total Funds 2020 £ 18 Months
Income					
Charitable Activities					
Community Day Nursery					
Local Authority SLA		-	45,225	45,225	67,221
Nursery fees		141,190		141,190	205,150
Govt CV19 Furlough Support Grants		47,698		47,698	36,814
Donations		1,400		1,400	3,718
		<u>190,288</u>	<u>45,225</u>	<u>235,513</u>	<u>312,903</u>
Investment income					
Bank Interest		5	-	5	-
		<u>190,293</u>	<u>45,225</u>	<u>235,518</u>	<u>312,903</u>
Expenditure					
Charitable Activities					
Community Day Nursery	3a	188,187	45,225	233,412	299,945
		<u>188,187</u>	<u>45,225</u>	<u>233,412</u>	<u>299,945</u>
Total Expenditure					
		<u>188,187</u>	<u>45,225</u>	<u>233,412</u>	<u>299,945</u>
Net income					
		<u>2,106</u>	<u>-</u>	<u>2,106</u>	<u>12,958</u>
Reconciliation of funds					
Total funds brought forward		670	112,996	113,666	100,708
Total funds carried forward		<u>2,776</u>	<u>112,996</u>	<u>115,772</u>	<u>113,666</u>

This charitable company's income and expenditure all relate to continuing operations. The company has no recognised surpluses and deficits other than the surpluses 2021 and 2020 respectively which has been calculated on the historical cost basis.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee) number 3609502

BALANCE SHEET AS AT 30 September 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	6	116,522		116,992	
		<u>116,522</u>		<u>116,992</u>	
CURRENT ASSETS					
Debtors	7	2,352		3,477	
Bank & Cash	8	830		7,766	
Total		<u>3,182</u>		<u>11,243</u>	
Creditors : Amounts falling due Within One year	9	3,932		3,804	
NET CURRENT ASSETS		(750)		7,439	
Creditors : Amounts falling after One year	9	-		10,765	
NET ASSETS		<u>115,772</u>		<u>113,666</u>	
Funds					
Restricted Funds					
Capital funds	11	112,996		112,996	
Unrestricted Funds	11	2,776		670	
TOTAL		<u>115,772</u>		<u>113,666</u>	


The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 and Charities SORP.

Signed and approved on the behalf of the Board on 5th July 2022

.....

By Name: Mark Cameron

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the Accounts

For the 12 Months ended 30 September 2021

(1) Accounting Policies

a) Basis of accounting

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) published on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) the Charities Act 2011 the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements have been prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity

b) Preparation of the accounts on a going concern basis

The directors consider that the company is a going concern.

c) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

(e) Expenditure and Liabilities

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Governance costs

Include costs of the preparation and examination of statutory accounts, any costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts

For the 12 Months ended 30 September 2021

(1) Accounting Policies (contd)

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the directors have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

All support costs have been divided between direct charitable expenditure and other expenditure. Within these there is a further analysis of functional support, fundraising, publicity and governance costs.

The costs incurred by any particular activity (project, team or administrative department) have been allocated according to the nature, charitable or otherwise, of that activity.

j) Governance Costs

These include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters.

k) Tangible Fixed Assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Equipment, fixtures and fittings	Depreciation rate 20% per annum Straight line
Nursery Refurbishment	Depreciation rate 10% per annum Straight line

l) Creditors and provisions

Creditors and provisions are recognised at their settlement amount where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd**For the 12 Months ended 30 September 2021**

	2021		2020	
3. Direct charitable expenditure	£	£	£	£
3a Nursery Costs				
Salaries & Wages		171,954		238,441
Nursery direct expenditure:				
Food & Water Cooler	14,935		14,999	
Repairs and Maintenance	9,458		942	
Cleaning & Hygiene	7,074		8,845	
Telephone & Postage	5,389		3,847	
Heat & Light	4,175		5,107	
Printing & Stationery	3,180		3,406	
Governance Costs	2,902		3,238	
Insurance	2,129		1,875	
Events/Activities/Outings	1,550		2,035	
Toys & Resources	2,287		512	
HR support	1,650		2,927	
Sundry Exps	760		270	
Training	1,655		2,298	
Rates and water costs	684		3,342	
Sundry Transport	594		-	
Advertising	736		1,461	
Finance Services	600		690	
Depreciation	470		705	
Books & Resources	349		4,493	
IT Systems	661		81	
Regulatory costs	220		330	
Staff Recruitment	-		101	
		61,458		61,504
Total Expenditure		233,412		299,945

	2021	2020
4. Net movement in funds for the year	£	£

The net movement in funds for the period is stated after charging:

Depreciation of tangible assets	470	705
Statutory Accounts Processing and Preparation and Independent Examination	2,800	3,750

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd

For the 12 Months ended 30 September 2021

5. Staff Costs and RPT's

No remuneration or expenses were paid to the trustees in the period

Salary Costs

Social Security costs (after Employers NHI £4K allowance)

Ers Pension costs

	2021	2020
	£	£
Salary Costs	165,019	231,413
Social Security costs (after Employers NHI £4K allowance)	4,538	4,229
Ers Pension costs	2,397	2,799
	<u>171,954</u>	<u>238,441</u>

The average weekly number of staff employed
by the charity during the period was as follows:

No employee received more than £60,000 in emoluments

12 14

6. Tangible fixed assets for use by the Charity

	£	£	£	2021 £	2020 £
	Fixtures Fittings Equip	Freehold Property	Nursery Refurbishment	Total	Total
Cost as at 1 October 2020	59,523	112,994	274,348	442,165	442,165
Additions for the period	-	-	-	-	4,700
Cost as at 30 September 2021	<u>59,523</u>	<u>112,994</u>	<u>274,348</u>	<u>446,865</u>	<u>446,865</u>
Depreciation as at 1 October 2020	59,522	-	270,351	329,873	329,873
Charge for the period	-	-	470	470	-
Depreciation at 30 September 2021	<u>59,522</u>	<u>-</u>	<u>270,821</u>	<u>330,343</u>	<u>329,873</u>
Net book Value as at 30 September 2021	<u>1</u>	<u>112,994</u>	<u>3,527</u>	<u>116,522</u>	<u>116,992</u>

7. Debtors

Trade Debtors

Prepayments

	2021	2020
	£	£
Trade Debtors	1,542	2,141
Prepayments	810	1,336
	<u>2,352</u>	<u>3,477</u>

8. Bank and Cash

Bank Accounts

	2021	2020
	£	£
Bank Accounts	830	7,766
	<u>830</u>	<u>7,766</u>

9. Creditors (Amounts falling due within one year)

Accruals

PAYE due

	2021	2020
	£	£
Accruals	2,800	3,750
PAYE due	1,132	54
	<u>3,932</u>	<u>3,804</u>

9. Creditors (Amounts falling due in more than one year)

Other creditors

	2021	2020
	£	£
Other creditors	-	10,765
	<u>-</u>	<u>10,765</u>

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd

For the 12 Months ended 30 September 2021

10. Taxation

The company is a registered charity and in the opinion of the directors no liability to tax arises in respect of the period

11. Fund Balances

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Funds B/forward as at 1 October 2020	112,996	670	113,666
Surplus for the period	-	2,106	2,106
Surplus c/forward as at 30 September 2021	<u>112,996</u>	<u>2,776</u>	<u>115,772</u>

Analysis of Net Assets by Fund

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Fixed Assets	112,996	-	112,996
Net Current Assets	-	2,776	2,776
Net Assets	<u>112,996</u>	<u>2,776</u>	<u>115,772</u>

12. Going Concern

Higher levels of overdraft are not available based on the security of the freehold premises which were funded almost exclusively from the Community Fund (now called the Big Lottery). At the time of reporting the charity has recovered to maintain day to day viability. However the on going viability still remains precarious in the current economic climate and producing a surplus to service working capital is still a challenge. The directors continue to take steps and make various difficult decisions to attempt to keep the project afloat. It is planned that the forthcoming periods will continue to produce surpluses to restore overall financial viability.

13 Commitment under operating leases

Sadwica has annual commitments under non cancellable leases:

	2021 Equipment £	2020 Equipment £
Operating lease payments are as follows:		
Within one year	5,000	5,000
In one to two years	5,000	5,000
In two to five years	10,000	13,750
	<u>20,000</u>	<u>23,750</u>

The service contract payments are for phone equipment and system

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION
(A Company Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
For the 12 Months ended 30 September 2021

13 Previous years detailed funds Comparative SOFA
Statement of Financial Activities (includes summary of income and expenditure)
For the 18 Months ended 30 September 2020

	Notes	Unrestricted Funds 2020 £ 18 Months	Restricted Funds 2020 £ 18 Months	Total Funds 2020 £ 18 Months
Income				
Charitable Activities				
Community Day Nursery				
Local Authority SLA		-	67,221	67,221
Nursery fees		203,550	1,600	205,150
Govt CV19 Furlough Support Grants		36,814		36,814
Donations		2,218	1,500	3,718
		<u>242,582</u>	<u>70,321</u>	<u>312,903</u>
Investment income				
Bank Interest		-	-	-
Total Income		<u>242,582</u>	<u>70,321</u>	<u>312,903</u>
Expenditure				
Charitable Activities				
Community Day Nursery	3a	229,624	70,321	299,945
Total Expenditure		<u>229,624</u>	<u>70,321</u>	<u>299,945</u>
Net income		<u>12,958</u>	<u>-</u>	<u>12,958</u>
Reconciliation of funds				
Total funds brought forward		(12,288)	112,996	100,708
Total funds carried forward		<u>670</u>	<u>112,996</u>	<u>113,666</u>

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

For the 12 Months ended 30 September 2021

Independent Examiners Report to the Trustees of SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

I report to the charity trustees on my examination of the accounts of the company for the 12 Months ended 30 September 2021 which is set out on pages 5 to 12.

Responsibilities and basis of report

As the charity trustees of the company (who are treated as directors for the purposes of the 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 the company are not required under Part 16 of the 2006 Act and are eligible for independent examination , I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act

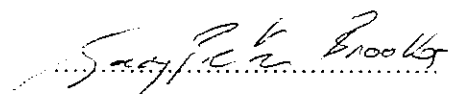
Independent Examiner's Statement

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 that in any material respect :

- (1) accounting records were not kept in respect of the company 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 (FRS102).

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.

Signed



Date 5th July 2022

Gary Peter Brookes

Fellow of The Institute of Chartered Accountants of England and Wales

130 Wombourne Park

Wombourne

South Staffs

WV5 0LY

2

