

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS

for the 6 months to

31 March 2024

Company Number 3609502

Charity Number 1072523

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

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31 March 2024

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SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

INFORMATION as at

31 March 2024

DIRECTORS:

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 BSc
Chartered Accountant
130 Wombourne Park
Wombourne
S Staffs
WV5 0LY

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

31 March 2024

DIRECTORS REPORT

The Directors present their report and the financial statements for the 6 Months ended 31 March 2024

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 Became an approved Sandwell HAF (Holiday Activities & Food) provider. This funding enabled us to deliver free holiday playscheme places to 23 children per day (aged 4-7yrs) over the main school holidays. Next year we plan to extend this free provision to cover the 3 half term holidays. Our Annual Open Day was held in August 2024 and resulted in 12 new starters in September.

- o Sponsored Walk held at Dudley Zoo & Castle raised over £300

- o Maintained staffing team and trained 2 childcare apprentices.

- o As at 30/03/24 occupancy levels were at 65% and increasing steadily.

- o Maintained our 5/5 Rating from Environmental Health (March 2024)

The 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. 2 staff are currently studying for their Level 5 Diploma for Early Years Senior Managers and Nursery & Deputy Managers have completed the DfE Experts and Mentors Programme to develop best practice in the nursery. Screening has identified an increase in children requiring speech and language support. The Wellcome Screening helps us to screen their speech and language skills and operates on a traffic light system. Green - No Intervention, Amber = provide extra support, Red = consider referral to Speech & Language Therapy. 80% of children identified as needing additional support made improvement and moved from either Red to Amber or Amber to Green. Children with more complex medical or behavioural needs can get support through the Early Intervention Grant that can provide up to 15 hrs a week of 1 to 1 support. 2 children are currently in receipt of the Grant

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

31 March 2024

DIRECTORS REPORT

Future Plans

The organisation will continue 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.

The organisation has continued to strengthen the Management Committee through newly appointed Trustees, Parent Reps and the appointment of a new company secretary. We also continue to provide the monitoring reports to Sandwell Council as part of our SLA. Funding from Sandwell Council which will end in March 2025 so the main objective is to plug that gap in funding. Management are constantly assessing potential funders to ensure we fit their criteria and funding bids are regularly being sent out. We are working to update our online profile and use social media to best promote our range of childcare services. With the success of our HAF (Holiday Activities & Food) provision, we will be looking to secure funding to extend this provision to cover the 3 half term holidays. Funding has been sought to open on Saturdays with a morning and afternoon creche, with online and in person training courses and a walking group taking place for parents. Most Family Hubs are planning to open on the first Saturday of each month, however the one on Beeches Rd will not be opening. It is also hoped that with the gradual expansion of the free childcare entitlement for working parents, we will be able to attract sufficient numbers to enable the nursery to become self financing, which has always been the aim of the organisation.

Significant contributions of volunteers

Our volunteer base, is flourishing and local people are again reaping the benefits of in-house training. We are seeing the benefits of spending more time involving volunteers at a committed 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. We have trained 3 apprentices and employed 1 on a permanent basis once they completed their placement. We have also worked closely with local schools and colleges to provide 11 students with both short and long term work placements for those interested in childcare as a career.

Financial Review

This 6 months reported period, is relatively proportional compared with the previous 12 months accounts. Very careful financial management has resulted in a small surplus of £3,312 Cp £8,670 deficit for 2023). With increased take up of nursery places resulting in increased fees a small surplus has resulted enabling the charity to be in a position to start a programme of HMRC PAYE payments of previous loss making periods outstanding amounts. The early years support programme enables management to anticipate better the levels of income and therefore staff retention and related costs required, however this has only just started to translate into net profitability. It is now hoped that this results in early years funding levels plus the L A statutory on going grants are retained so not setting SADWICA back as it is not yet certain that the vital manageable full cost recovery basis for the day to day costs will keep this community provision in place. Directors and management input has been hampered in effectiveness over many 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 increasing 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 6 months to 31 March 2024 to the date of this report unless otherwise stated.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

31 March 2024

DIRECTORS REPORT (continued)

Reserves Policy

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

Ideally the directors consider the following to be a basis for a cash backed 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, observed the methods and principles within the Charities SORP 2019 (FRS 102) and to the best of the Directors knowledge and belief, by reference to reasonable and prudent judgments and estimates and applied consistently. 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 9/12/2024
and signed on its behalf by



Director (PRINT NAME).....Mark A Cameron

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

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

31 March 2024

	Notes	Unrestricted Funds 2024 £ 6 months	Restricted Funds 2024 £ 6 months	Total Funds 2024 £ 6 months	Total Funds 2023 £ 12 months
Income					
Charitable Activities					
Community Day Nursery					
Local Authority SLA		18,090	-	18,090	45,227
Nursery fees		89,399	-	89,399	165,096
Holiday and events funding		-	3,393	3,393	9,916
Early Intervention grant		-	3,361	3,361	3,231
Donations		1,312	1,995	3,307	4,420
		<u>108,801</u>	<u>8,749</u>	<u>117,550</u>	<u>227,890</u>
Investment income					
Bank Interest		14	-	14	-
Total Income		<u>108,815</u>	<u>8,749</u>	<u>117,564</u>	<u>227,890</u>
Expenditure					
Charitable Activities					
Community Day Nursery	3a	105,503	8,749	114,252	236,560
Total Expenditure		<u>105,503</u>	<u>8,749</u>	<u>114,252</u>	<u>236,560</u>
Net income		<u>3,312</u>	<u>-</u>	<u>3,312</u>	<u>(8,670)</u>
Reconciliation of funds					
Total funds brought forward		(12,215)	112,996	100,781	109,451
Total funds carried forward		<u>(8,903)</u>	<u>112,996</u>	<u>104,093</u>	<u>100,781</u>

This charitable company's income and expenditure all relate to continuing operations.

SANDWELL & DISTRICT WEST INDIAN COMMUNITY

(A Company Limited by Guarantee) number 3609502

BALANCE SHEET AS AT 31 March 2024

	Notes	6 months 2024		12 months 2023	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	6		115,347		115,582
			<u>115,347</u>		<u>115,582</u>
CURRENT ASSETS					
Debtors	7	3,244		4,250	
Bank & Cash	8	141		487	
Total		<u>3,385</u>		<u>4,737</u>	
Creditors : Amounts falling due Within One year	9	14,639		19,538	
NET CURRENT ASSETS			(11,254)		(14,801)
NET ASSETS			<u>104,093</u>		<u>100,781</u>
Funds					
Restricted Funds					
Capital funds	11		112,996		112,996
Unrestricted Funds	11		(8,903)		(12,215)
TOTAL			<u>104,093</u>		<u>100,781</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 2019.

Signed and approved on the behalf of the Board on 9/11/2024

.....

By Name..... Mark A. Gibson.....

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the Accounts

6 months to 31 March 2024

(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) second edition published October 2019, the Charities Act 2011 the Companies Act 2006 and UK Generally Accepted Practice. 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

Based on the anticipated Government early years programme the directors consider that the company is still 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

6 months to 31 March 2024

(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.

	£ 2024	£ 2023
2 Governance		
Independent Examiners Fees	1,995	3,200
Other Professional Costs (less excess accruals)	-	275
Total Expenditure	<u>1,995</u>	<u>3,475</u>

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd

6 months to 31 March 2024

	6 months 2024		12 Months 2023	
3. Direct charitable expenditure	£	£	£	£
3a Nursery Costs				
Salaries & Wages		92,260		190,305
Nursery direct expenditure:				
Food & Water Cooler	3,142		10,044	
Repairs and Maintenance	671		2,301	
Cleaning & Hygiene	1,490		5,305	
Telephone & Postage	4,033		6,227	
Heat & Light	4,473		5,322	
Printing & Stationery	907		2,224	
Governance Costs	1,995		3,475	
Insurance	1,050		1,859	
Events/Activities/Outings	742		2,090	
Toys & Resources	693		686	
HR support	750		1,800	
Sundry Exps	180		770	
Training	47		896	
Rates and water costs	509		581	
Sundry Transport	120		240	
Bank Charges	91		143	
Advertising	364		682	
Finance Services	240		480	
Depreciation	235		470	
IT Systems	260		440	
Regulatory costs	-		220	
		21,992		46,255
Total Expenditure		<u>114,252</u>		<u>236,560</u>
		2024		2023
4. Net movement in funds for the year		£		£

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

Depreciation of tangible assets	235	470
Statutory Accounts Processing and Preparation and Independent Examination	1,995	3,200

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd

6 months to 31 March 2024

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 £2.5K allowance (6 Mths))

Ers Pension costs

2024	2023
£	£
88,580	182,790
2,242	4,592
1,438	2,923
<u>92,260</u>	<u>190,305</u>

The average weekly number of staff employed

13

by the charity during the period was as follows:

No employee received more than £60,000 in emoluments

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6. Tangible fixed assets for use by the Charity

	£	£	£	2024	2023
	Fixtures Fittings	Freehold	Nursery	£	£
	Equip	Property	Refurbishment	Total	Total
Cost as at 1 October 2023	59,523	112,994	274,348	442,165	442,165
Cost as at 31 March 2024	59,523	112,994	274,348	446,865	446,865
Acc Depreciation as at 1 October 2023	59,522	-	271,761	331,283	330,813
Charge for the period	-	-	235	235	470
Acc Depreciation at 31 March 2024	59,522	-	271,996	331,518	331,283
Net book Value as at 31 March 2024	1	112,994	2,352	115,347	115,582

7. Debtors

Trade Debtors

Prepayments

2024	2023
£	£
1,995	3,200
1,249	1,050
<u>3,244</u>	<u>4,250</u>

8. Bank and Cash

Bank Accounts

2024	2023
£	£
141	487
<u>141</u>	<u>487</u>

9. Creditors (Amounts falling due within one year)

Accruals

Employee's Short term loan

PAYE due (includes £7040 previous year 31/03/2023)

2024	2023
£	£
1,995	4,080
500	3,050
12,144	12,408
<u>14,639</u>	<u>19,538</u>

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

(A Company Limited by Guarantee)

Notes to the accounts cont'd

6 months to 31 March 2024

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 2023	112,996	(12,215)	100,781
Surplus for the period	-	3,312	3,312
Surplus c/forward as at 31 March 2024	<u>112,996</u>	<u>(8,903)</u>	<u>104,093</u>

Analysis of Net Assets by Fund

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Fixed Assets	112,996	-	112,996
Net Current Assets	-	(8,903)	(8,903)
Net Assets	<u>112,996</u>	<u>(8,903)</u>	<u>104,093</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:

	2024 Equipment £	2023 Equipment £
Operating lease payments are as follows:		
Within one year	<u>2,500</u>	<u>5,000</u>
	<u>2,500</u>	<u>10,000</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
6 months to 31 March 2024

13 Previous years detailed funds Comparative SOFA

Statement of Financial Activities

For the year ended 30 September 2023

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income			
Charitable Activities			
Community Day Nursery			
Local Authority SLA	-	45,227	45,227
Nursery fees	165,096	-	165,096
Holiday and events funding	-	9,916	9,916
Early Intervention grant	-	3,231	3,231
Donations	720	3,700	4,420
	<u>165,816</u>	<u>62,074</u>	<u>227,890</u>
Total Income	<u>165,816</u>	<u>62,074</u>	<u>227,890</u>
Expenditure			
Charitable Activities			
Community Day Nursery	174,486	62,074	236,560
Total Expenditure	<u>174,486</u>	<u>62,074</u>	<u>236,560</u>
Net income	<u>(8,670)</u>	<u>-</u>	<u>(8,670)</u>
Reconciliation of funds			
Total funds brought forward	(3,545)	112,996	109,451
Total funds carried forward	<u>(12,215)</u>	<u>112,996</u>	<u>100,781</u>

SANDWELL & DISTRICT WEST INDIAN COMMUNITY ASSOCIATION

6 months to 31 March 2024

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 period ended 31 March 2024 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 

Gary Peter Brookes
Fellow of The Institute of Chartered Accountants of England and Wales
130 Wombourne Park
Wombourne
South Staffs
WV5 0LY