

Company registration number: 05537789

Charity registration number: 1117707

Smethwick Heritage Centre Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Simon Harris & Co
90 Worcester Road
Hagley
Stourbridge
West Midlands
DY9 0NJ

Smethwick Heritage Centre Trust

Contents

Trustees' Report	1 to 3
Statement of Trustees' Responsibilities	4
Independent Examiner's Report	5
Statement of Financial Activities	6 to 7
Balance Sheet	8
Notes to the Financial Statements	9 to 16

Smethwick Heritage Centre Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2021.

Objectives and activities

Objectives and aims

The object of the Charity and the principle activity of the Company is to establish and maintain a Heritage Centre in Smethwick in the Metropolitan Borough of Sandwell and to advance the education of the public, including children, about the history of Smethwick.

In addition, the Charity aims to play its part in the community by helping to reduce social isolation by using The Heritage Centre's facilities to encourage attendance at events that bring people together.

Significant activities

The year continued to be a challenging one as a consequence of the continuing impact of the Covid pandemic. The Centre remained closed to the public until August with the same *modus operandi* as in 2020, with a few volunteers keeping the production and despatch of the quarterley magazine on time, as well as maintaining sales of our merchandise. Once again, we had tremendous support from our members/ Friends of The Centre.

As reported as being delayed last year, the HLF funded Anderson Shelter Project, was finalised and launched with a well-supported event at The Centre, which was well received by all those in attendance. It has made a significant impact on our collection and has proved to be popular with visitors.

We have again been eligible for Covid support grants, and these have helped significantly during this difficult time.

We have continued our focus on becoming self-sustainable without having to rely on large Grant subsidies. To this end, we have striven to promote our merchandise on our website, Facebook and advertising with the use of flyers, as well as ramping up the number of events that we hold, both at The Centre and at other venues. We have also introduced a mobile sales hotline which has proven to be very effective.

These policies are continuing to be pursued in 2022 and their impact is proving to be significant.

We thank our advertisers and supporters, and in particular Hadley's, for their time and efforts on our behalf. We must also not forget our volunteers, who enable us to meet our objectives and keep The Centre operational.

Public benefit

As required;

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

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited Company, limited by Guarantee, as defined by the Companies Act 2006.

Smethwick Heritage Centre Trust

Trustees' Report

Recruitment and appointment of trustees

The Trustees have considered the skills needed with regards to the governance of Smethwick Heritage Centre Trust and regularly review this in relation to the Trustees in post. Smethwick Heritage Centre Trust actively seek new Trustees where they will bring additional expertise that will be of benefit. A third of the Trustees stand down each year at the AGM and are eligible for re-election by the membership along with new candidates. All Trustees are provided with literature outlining their responsibilities and are briefed through introductory meetings about the organisation and their role before they start.

Organisational structure

A committee of Trustees, who meet regularly, at least quarterly, is in overall charge of the Charity. Supervision of specialist activities is delegated to a sub-committee as appropriate. The trustees are also directors and members of the Company and have each undertaken to contribute up to £1 to the assets of the Company in the event of winding up.

Smethwick Heritage Centre Trust

Trustees' Report

Major risks and management of those risks

The trustees have a duty to identify and review the risks to which the Charity is exposed to and ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees review the charity's activities and potential associated risks on an ongoing basis. An annual review of these risks takes place to ascertain what if any improvements can be made.

Reference and Administrative Details

Trustees

Mr Anthony R Dowse
Ms Mary C Bodfish
Mr Geoffrey F Carpenter
Mrs Miriam J Nori
Mr Robert Baldwin
Ms Belinda Fleming

Secretary

Mr Christopher Sutton

Principal Office

Smethwick Heritage Centre
Victoria Park Lodge
High Street
Smethwick
West Midlands
B66 3NJ

The charity is incorporated in England and Wales.

Company Registration Number 05537789

Charity Registration Number 1117707

Independent Examiner

Simon Harris & Co
90 Worcester Road
Hagley
Stourbridge
West Midlands
DY9 0NJ

The annual report was approved by the trustees of the charity on 23 September 2022 and signed on its behalf by:



Mr Robert Baldwin
Trustee

Smethwick Heritage Centre Trust

Statement of Trustees' Responsibilities


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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 23 September 2022 and signed on its behalf by:



Mr Robert Baldwin
Trustee

Smethwick Heritage Centre Trust

Independent Examiner's Report to the trustees of Smethwick Heritage Centre Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of Smethwick Heritage Centre Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Smethwick Heritage Centre Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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:

1. accounting records were not kept in respect of Smethwick Heritage Centre Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Simon Harris
FCCA

90 Worcester Road
Hagley
Stourbridge
West Midlands
DY9 0NJ

23 September 2022

Smethwick Heritage Centre Trust

Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	3	53,264	53,264
Other trading activities	4	15,160	15,160
Other income	5	1,121	1,121
Total income		<u>69,545</u>	<u>69,545</u>
Expenditure on:			
Raising funds		(35,461)	(35,461)
Charitable activities		<u>(15,945)</u>	<u>(15,945)</u>
Total expenditure		<u>(51,406)</u>	<u>(51,406)</u>
Net income		<u>18,139</u>	<u>18,139</u>
Net movement in funds		18,139	18,139
Reconciliation of funds			
Total funds brought forward		<u>133,409</u>	<u>133,409</u>
Total funds carried forward	14	<u>151,548</u>	<u>151,548</u>
	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies	3	37,086	37,086
Other trading activities	4	7,537	7,537
Other income	5	539	539
Total income		<u>45,162</u>	<u>45,162</u>
Expenditure on:			
Raising funds		(29,898)	(29,898)
Charitable activities		<u>(17,894)</u>	<u>(17,894)</u>
Total expenditure		<u>(47,792)</u>	<u>(47,792)</u>
Net expenditure		<u>(2,630)</u>	<u>(2,630)</u>
Net movement in funds		(2,630)	(2,630)
Reconciliation of funds			
Total funds brought forward		<u>136,038</u>	<u>136,038</u>
Total funds carried forward	14	<u>133,408</u>	<u>133,408</u>

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

Smethwick Heritage Centre Trust

**Statement of Financial Activities for the Year Ended 31 December 2021
(Including Income and Expenditure Account and Statement of Total
Recognised Gains and Losses)**

The funds breakdown for 2020 is shown in note 14.

Smethwick Heritage Centre Trust
(Registration number: 05537789)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	9	102,499	116,190
Current assets			
Debtors	10	1,700	1,356
Cash at bank and in hand	11	56,429	31,424
		58,129	32,780
Creditors: Amounts falling due within one year	12	(9,080)	(15,562)
Net current assets		49,049	17,218
Net assets		151,548	133,408
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		151,548	133,408
Total funds	14	151,548	133,408

For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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 16 were approved by the trustees, and authorised for issue on 23 September 2022 and signed on their behalf by:



Mr Robert Baldwin
Trustee

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Smethwick Heritage Centre
Victoria Park Lodge
High Street
Smethwick
West Midlands
B66 3NJ

The principal place of business is:

Smethwick Heritage Centre
Victoria Park Lodge
High Street
Smethwick
West Midlands
B66 3NJ

These financial statements were authorised for issue by the trustees on 23 September 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Smethwick Heritage Centre Trust 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.

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Exemption from preparing a cash flow statement

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

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Governance costs

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

Government grants

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

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

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.

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

Trade creditors

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

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

Borrowings

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

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

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

Fund structure

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

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Donations and legacies;			
Donations from individuals	793	793	3,446
Gift aid reclaimed	2,840	2,840	1,265
Grants, including capital grants;			
Government grants	34,815	34,815	18,543
Regular giving and capital donations	14,816	14,816	13,832
	<u>53,264</u>	<u>53,264</u>	<u>37,086</u>

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

4 Income from other trading activities

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Trading income;			
Sales of goods and services	7,597	7,597	5,953
Events income;			
Other events income	6,693	6,693	774
Sponsorship income	870	870	810
	<u>15,160</u>	<u>15,160</u>	<u>7,537</u>

5 Other income

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Fees and supplies	1,121	1,121	344
Rental income	-	-	195
	<u>1,121</u>	<u>1,121</u>	<u>539</u>

6 Net incoming/outgoing resources

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

	2021 £	2020 £
Depreciation of fixed assets	<u>14,657</u>	<u>14,491</u>

7 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	<u>19,187</u>	<u>19,281</u>

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

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

8 Taxation

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

9 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	315,836	38,388	354,224
Additions	-	966	966
At 31 December 2021	<u>315,836</u>	<u>39,354</u>	<u>355,190</u>
Depreciation			
At 1 January 2021	199,646	38,388	238,034
Charge for the year	<u>14,491</u>	<u>166</u>	<u>14,657</u>
At 31 December 2021	<u>214,137</u>	<u>38,554</u>	<u>252,691</u>
Net book value			
At 31 December 2021	<u>101,699</u>	<u>800</u>	<u>102,499</u>
At 31 December 2020	<u>116,190</u>	<u>-</u>	<u>116,190</u>

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings and £101,699 (2020 - £116,190) in respect of leaseholds.

10 Debtors

	2021 £	2020 £
Trade debtors	1,000	700
Prepayments	<u>700</u>	<u>656</u>
	<u>1,700</u>	<u>1,356</u>

11 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>56,429</u>	<u>31,424</u>

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	50	501
Other taxation and social security	566	616
Other creditors	2	1
Accruals	524	1,255
Deferred income	7,938	13,189
	<u>9,080</u>	<u>15,562</u>

13 Leasing Agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
In more than five years	3,000	3,000

The trust is committed to annual notional rental payments of £3,000 in respect of the Victoria Park lodge property, under a lease expiring more than five years from the balance sheet date. However, the lessor has agreed to make annual notional grants to the Trust of an equal amount.

14 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	<u>133,409</u>	<u>69,545</u>	<u>(51,406)</u>	<u>151,548</u>

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	<u>136,038</u>	<u>45,162</u>	<u>(47,792)</u>	<u>133,408</u>

Smethwick Heritage Centre Trust

Notes to the Financial Statements for the Year Ended 31 December 2021

15 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
2021		
Tangible fixed assets	102,499	102,499
Current assets	58,129	58,129
Current liabilities	<u>(9,080)</u>	<u>(9,080)</u>
Total net assets	<u>151,548</u>	<u>151,548</u>
	Unrestricted funds General £	Total funds £
2020		
Tangible fixed assets	116,190	116,190
Current assets	32,780	32,780
Current liabilities	<u>(15,562)</u>	<u>(15,562)</u>
Total net assets	<u>133,408</u>	<u>133,408</u>