

COMPANY REGISTRATION NUMBER: 05537789
CHARITY REGISTRATION NUMBER: 1117707

Smethwick Heritage Centre Trust
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2023

KMS ACCOUNTANCY LTD

Trigate Business Centre
210-222 Hagley Road West
Birmingham
West Midlands
B68 0NP

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	4
Statement of financial activities (including income and expenditure account)	5
Statement of financial position	6
Notes to the financial statements	7

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name Smethwick Heritage Centre Trust

Charity registration number 1117707

Company registration number 05537789

Principal office and registered office Smethwick Heritage Centre
Victoria Park Lodge
High Street
Smethwick
West Midlands
B66 3NJ

The trustees

Mr R Baldwin	
Mr C Sutton	
Mr P Allen	
Ms M Bodfish	
Mr G Carpenter	
Ms B Fleming	(Resigned 28 September 2023)
Mr A Dowse	(Resigned 24 February 2023)
Ms B Fleming	(Resigned 28 September 2023)
Ms M Nori	(Resigned 4 August 2023)
Ms McLachlan	(Appointed 28 September 2023)
Ms Allcock	(Appointed 28 September 2023)

Company secretary Mr Christopher Sutton

Independent examiner HAQ & CO Chartered Certified Accountants

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

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.

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 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.

Objectives and activities

The object of the Charity and the principal 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, we have developed the Centre as a Community Hub, helping to reduce social isolation by using the facilities of The Centre to encourage attendance at events that bring people together and by helping those that struggle to deal with the internet, computers, and smart phones in dealing with everyday matters.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Achievements and performance

Significant activities

The events organised by The Centre were well attended, these included Roadshows both at The Centre and at offsite venues which focused on photographic and item displays showing Smethwick's civic and industrial heritage. In addition, community events were also held in part aiming to help with community cohesion.

We continued our focus on becoming self-sustainable and with the help of income from events, friends of The Centre membership and merchandise sales we continue to move towards realising this objective.

We thank our advertisers and supporters, and in particular Hadleys, for their time and efforts on our behalf. We must also thank 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.

The trustees' annual report and the strategic report were approved on 11 September 2024 and signed on behalf of the board of trustees by:

Mr R Baldwin
Trustee

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of Smethwick Heritage Centre Trust ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

'Respective responsibilities of trustees and examiner' or 'Responsibilities and basis of report' in the 2017 Directions report. As the charity's trustees of the company (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 the company 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 the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.

HAQ & CO
Chartered Certified Accountants
Independent Examiner

8 Shaw Park Business Village
Shaw Road
Wolverhampton
WV10 9LE

11 September 2024

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2023

		2023		2022
		Unrestricted	Total funds	Total funds
	Note	funds		
		£	£	£
Income and endowments				
Donations and legacies	5	48,290	48,290	29,309
Charitable activities	6	10,921	10,921	14,051
Other trading activities	7	2,062	2,062	1,030
Total income		<u>61,273</u>	<u>61,273</u>	<u>44,390</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	8	46,433	46,433	39,073
Expenditure on charitable activities	9,10	16,368	16,368	16,535
Total expenditure		<u>62,801</u>	<u>62,801</u>	<u>55,608</u>
Net expenditure and net movement in funds		<u>(1,528)</u>	<u>(1,528)</u>	<u>(11,218)</u>
Reconciliation of funds				
Total funds brought forward		140,330	140,330	151,548
Total funds carried forward		<u>138,802</u>	<u>138,802</u>	<u>140,330</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 16 form part of these financial statements.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	76,710	91,101
Current assets			
Debtors	16	5,079	2,747
Cash at bank and in hand		63,373	54,596
		<u>68,452</u>	<u>57,343</u>
Creditors: amounts falling due within one year	17	<u>6,360</u>	<u>8,114</u>
Net current assets		<u>62,092</u>	<u>49,229</u>
Total assets less current liabilities		<u>138,802</u>	<u>140,330</u>
Net assets		<u>138,802</u>	<u>140,330</u>
Funds of the charity			
Unrestricted funds		<u>138,802</u>	<u>140,330</u>
Total charity funds	21	<u>138,802</u>	<u>140,330</u>

For the year ending 31 December 2023 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 company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 11 September 2024, and are signed on behalf of the board by:

Mr R Baldwin
Trustee

The notes on pages 7 to 16 form part of these financial statements.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Smethwick Heritage Centre, Victoria Park Lodge, High Street, Smethwick, West Midlands, B66 3NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	-	Straight line
Fixtures and fittings	-	Straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The trustees are also directors and members of the Company and have each undertaken to contribute up to a £1 to the assets of the Company in the event of winding up.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	8,120	8,120	8,181	8,181
Donations type 2	169	169	–	–
Legacies				
Legacies type 1	1,000	1,000	–	–
Gifts				
Gift Aid tax reclaimed	3,504	3,504	4,221	4,221

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Grants				
Grants - Government UK	24,309	24,309	2,667	2,667
Subscriptions				
Subscriptions	11,188	11,188	14,240	14,240
	<u>48,290</u>	<u>48,290</u>	<u>29,309</u>	<u>29,309</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Sale of goods/services as part of direct charitable activities	7,522	7,522	12,400	12,400
Exceptional income from charitable activities	3,399	3,399	1,651	1,651
	<u>10,921</u>	<u>10,921</u>	<u>14,051</u>	<u>14,051</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Sponsorships	<u>2,062</u>	<u>2,062</u>	<u>1,030</u>	<u>1,030</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Donations	<u>46,433</u>	<u>46,433</u>	<u>39,073</u>	<u>39,073</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Direct Costs	<u>16,368</u>	<u>16,368</u>	<u>16,535</u>	<u>16,535</u>

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds	Total fund
	£	2023	2022
		£	£
Direct Costs	16,368	16,368	16,535

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	15,560	15,560

12. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	1,300	—

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	19,637	19,284
Employer contributions to pension plans	673	391
	20,310	19,675

The average head count of employees during the year was 1 (2022: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff	1	1

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees;

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

15. Tangible fixed assets

	Long leasehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	315,836	43,516	359,352
Additions	—	1,169	1,169
At 31 December 2023	<u>315,836</u>	<u>44,685</u>	<u>360,521</u>
Depreciation			
At 1 January 2023	228,665	39,586	268,251
Charge for the year	14,528	1,032	15,560
At 31 December 2023	<u>243,193</u>	<u>40,618</u>	<u>283,811</u>
Carrying amount			
At 31 December 2023	<u>72,643</u>	<u>4,067</u>	<u>76,710</u>
At 31 December 2022	<u>87,171</u>	<u>3,930</u>	<u>91,101</u>

16. Debtors

	2023 £	2022 £
Trade debtors	1,822	269
Prepayments and accrued income	1,063	1,229
Other debtors	2,194	1,249
	<u>5,079</u>	<u>2,747</u>

17. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	562	1,268
Accruals and deferred income	5,797	6,758
Social security and other taxes	—	87
Other creditors	1	1
	<u>6,360</u>	<u>8,114</u>

18. Deferred income

	2023 £	2022 £
At 1 January 2023	5,458	7,938
Amount released to income	(961)	(2,480)
At 31 December 2023	<u>4,497</u>	<u>5,458</u>

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £673 (2022: £391).

20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2023 £	2022 £
Recognised in creditors:		
Deferred government grants due within one year	<u>(961)</u>	<u>(2,480)</u>

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 20 23 £	Income £	Expenditure £	At 31 December 2023 £
General funds	<u>140,330</u>	<u>61,273</u>	<u>(62,801)</u>	<u>138,802</u>

	At 1 January 20 22 £	Income £	Expenditure £	At 31 December 2022 £
General funds	<u>151,548</u>	<u>44,390</u>	<u>(55,608)</u>	<u>140,330</u>

22. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Tangible fixed assets	76,710	76,710
Current assets	68,452	68,452
Creditors less than 1 year	<u>(6,360)</u>	<u>(6,360)</u>
Net assets	<u>138,802</u>	<u>138,802</u>

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	—	—
Current assets	—	—
Creditors less than 1 year	<u>—</u>	<u>—</u>
Net assets	<u>—</u>	<u>—</u>

Smethwick Heritage Centre Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Leasing agreements

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

In more than five years	2023	2022
	£	£
	3000	3000

The trust is committed to annual notional rental payments of £3000 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.