



ENERGIZE SHROPSHIRE TELFORD AND WREKIN

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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ENERGIZE SHROPSHIRE TELFORD AND WREKIN

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the charitable company for the 1 April 2020 to 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

Undeniably, the year has been one of challenge, learning and understanding for us all. The pandemic has tested the strength and resilience of many organisations, and for Energize, it has unquestionably been a period where our charitable purposes have become more important than ever.

Covid 19 and the government's televised encouragement to be physically active during 'lockdown' sent a strong message to our communities of the role it plays in maintaining positive mental and physical wellbeing. Consequently, this year has provided Energize with the platform, resources and flexibility from our primary investor, Sport England, to reach into the heart of some of our most inactive communities.

Introduction - Learning to adapt during the pandemic

The Energize team and the sector have needed to adapt tremendously. The temporary 'working from home' situation during the severe flooding in February 2020 swiftly became a way of life following the emergence of Covid 19. There have been internal challenges to overcome to support wellbeing and resilience for both our team and those who represent us. Energize adopted a 'survive and thrive' approach for our sector, helping the local providers to get through the difficult times, whilst also striving to empower the local activity providers to emerge more resilient, diverse and sustainable.

The team have learnt to adapt in many ways – stronger national networks and local partnerships have formed; digital solutions have been embraced and enabled us to build greater connections with those outside of our traditional geography. Movements and campaigns such as Black Live Matters have provided opportunity for reflection and proactivity in understanding in how to meaningfully engage local people.

Many community organisations struggled to stay afloat, and infrastructure support was needed to help create bank accounts, create safeguarding policies and set up new organisations. Vulnerable local people within our programmes needed support and Energize, like many in our local voluntary sector stepped up to help, with

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phone services in place to keep in touch with older, isolated people and instructors collecting prescriptions and food parcels.

There have also been significant challenges of working with key partners who have understandably struggled to deliver on their commitments as their organisations refocused activity to deal with Covid19, for example delays in getting contracts sorted and lack of capacity to provide referrals. However, Energize have managed to find a way through this which is a real credit to the team and organisation.

Sport England played a key role in enabling Energize to put local people first at the start of the pandemic. Their reassurance, swift responses, flexibility and the trust they had in us to help their investment reach those who needed it most, has strengthened relationships and created a clear role for Active Partnerships in helping deliver their new strategy 'Uniting the Movement'. Energize are equally committed to addressing inequalities and are now refreshing the local strategy to ensure we are able to respond to the pandemic recovery period through an insight led and systematic approach.

Actively Improving Lives - Project and programmes

As part of our 'Actively Improving Lives' strategy, Energize host and lead on a variety of programmes to reach local inactive audiences. The sudden need to move online was a real challenge, with new technology and approaches needed. This was also met with difficulty by our sector, and Energize stepped up to provide advice on safeguarding, insurance and risk.

The traditional School Games event calendar evolved into an award winning 6 week virtual summer games with over 30 schools engaged. The Elevate community exercise programme for those 60+ transformed into a telephone and exercise book service. Whilst there were some successes, over time it became difficult to maintain engagement, with many providers becoming focused on 'opening up' again. We learnt a great deal about digital solutions, learning when they were an asset, but also when they were a barrier in reaching our priority audiences.

We know that some of our communities have been disproportionately affected by Covid 19 and the periods of lockdown. Sports England's national 'Emergency Response' funding failed to reach the desired audiences and when the 'Tackling Inequalities Funding' was launched, Energize welcomed the opportunity to reach into our communities through a targeted approach to support those who activate or represent communities that are from low-income areas, ethnically diverse communities, are disabled or have long term health conditions. £100k has been invested into local projects to help providers survive during the lockdown period, engage communities online, become Covid compliant, or start something new and appealing to reach people. Energize also supported providers to build their workforce, funding qualifications to work with specialist conditions, and developing volunteers.

The additional opportunities such as Tackling Inequalities Fund have been very welcome but it has presented capacity issues within the team. Fortunately the flexibility that Sport England allowed with regard to other

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programmes and funding and the willingness of the team to refocus and work in new ways enabled the organisation to respond positively.

Energize transformed their funding approach, removing formal application processes and launching webinars and 121 chat sessions so the team could understand the local need and submit the projects themselves, to remove any paperwork and associated communication barriers. We understood that many from lower income communities were busy working on the frontline and we needed to make extra effort to ensure that they had opportunity to benefit from our resources. This approach proved very successful and the partnership panel with Telford & Wrekin Council and Shropshire Council has flourished, helping build a strong understanding of the needs in our communities. The fund has shown that just a modest amount of investment (an average of £800 per project) can have a great impact.

Strategic leadership

The last year reinforced the need for Energize to be 'a place to go to' for local providers and many turned to us for leadership, to guide, connect and signpost. Energize quickly identified the risk of some of the local specialist workforce leaving our sector during such turbulent times and also, the impact of so many older volunteers shielding and the impact this would have on local groups and facilities opening. We became a source of emotional support for providers who were faced with making redundancies, those struggling to access income support and also, for those experiencing the emotional roller coaster of keeping in touch with vulnerable people in our communities who were frightened and lonely. We held webinars and workshops to engage the local workforce and also funded counselling sessions to help the providers share stories and learn techniques to help cope during periods of pressure.

We engaged frequently across the voluntary and community, and statutory sectors to understand how our communities were being affected. We also engaged with local social prescribers to listen to what they were experiencing. This greatly influenced our approaches to applying for Sport England funding and also, the work that was driven through our partnerships and systems.

The lockdown periods created delays with many programmes and this impacted greatly on our ability and capacity to start new contracts or complete evaluation of programmes. Despite this, Energize has been able to have some real impact as a system leader for our sector.

- Energize launched the 'Life Chances' project in partnership with Bright Star, a referral-based programme which will support young people at risk of school exclusion into sport, mentoring and education. The social impact bond is one of 16 projects nationally that will help influence Sport England's approach to investing in young people's projects. The project also responds to Shropshire's challenges around having the higher number of exclusions in the country, and is intended to embed sport in the system, rather than being an 'added bonus' for young people. We hope to grow the programme across more clubs in the county.

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- Energize drove forward the start of the 'Short breaks' contract, developing a network of leading providers from a range of sectors to create appealing activities for young people with disabilities to be more active. Acknowledging Energize's skills in developing partnerships, the project has also led to more commissioning, learning approaches to work together, sharing insight and shaping future approaches in response.

Energize is needing to evolve and influence more, and as a small strategic organisation, understand how to build on the learning and emerging opportunities to create system wide change in our future strategy.

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Comments from Chief Executive

To say it's been a year like no other would be something of an understatement. I don't think there has been a single part of what were our 'normal' operations that hasn't been affected by the pandemic. It's also been a huge testament to all the Energize team that have responded in such a positive way – which is because I think very early on, we realised that we (and more importantly physical activity) had a very important part to play in the public response to the pandemic.

From the way we've adapted to the online, digital opportunities – for example School Games challenges and Wellbeing weeks to the way we have engaged with the more isolated communities and organisations – for example Elevate at Home. It's been a huge learning experience and one that I believe has helped to move us on as an organisation. We've also started some really exciting new programmes like the Life Chances project working with national sport for development charity Substance and local partner Bright Star Boxing. Already this project is demonstrating the potential for sport and physical activity to provide renewed focus and mentorship for young people who might not have the greatest start in life and we hope it will share learning and have a much wider impact across the local education system as it progresses over the next 3 years and beyond.

An active lifestyle is critical to the health, happiness, mental wellbeing and success of our communities and the individuals who live in them. Moreover, as we begin to count the cost of the pandemic, we are also appreciating that a sedentary lifestyle has become even more embedded for some – creating greater inequalities. We believe an active and healthy lifestyle is a fundamental human right – as important as a roof over our heads and a healthy diet – and we have begun to create a strategy which aims to empower this understanding across the various health, children / young people and community 'systems' that we work with across Shropshire and Telford & Wrekin. Whilst 2021/22 looks to offer some respite and recovery we also know that there are many challenges and uncertainties still to face in the future – collaborating with local partners and learning from our national network we hope we will be able to meet these and help to rebuild and reinvent in a way that welcomes diversity offers greater inclusion for all.

Chris Child - Chief Executive

Chair comments

It has clearly been a very challenging year for society with the whole year being dominated by the Covid pandemic and the limitations this has placed on both individuals and organisations. Strangely the guidance for individuals that has been issued from government has, for the first time in memory, placed a significant emphasis on the importance of remaining active in order to stay healthy. In the early stages of the first lockdown exercise was one of the few reasons that people were allowed to leave the house and subsequently messages about staying active being the most health beneficial thing we can do and important for every age and no health condition that should prevent it.

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Like many companies who have continued to operate throughout the pandemic Energize have had to adapt to both a new working environment and also a new operating climate. Both of these have required some significant learning and adaptation from the organisation and it's been heartening to see how we have evolved and refocused to provide support and engagement to those communities and community organisations who have been affected the most. I'm particularly pleased to see the work we have done using the Tackling Inequalities Funding that Sport England asked us to co-ordinate locally and how that work has opened up new avenues of engagement, learning and ultimately support to some of the communities most affected by the restrictions.

Of course, we have been hugely grateful for the continued support and understanding from our principal funders Sport England but we have also strengthened our relationship with local authorities and health partners too. All of whom have recognised the important role we can play in empowering and nurturing community opportunities. We hope to maintain this collaboration and are excited to be named as a key system partner within Sport England's new "Uniting the Movement" strategy – which will allow us to propagate our vision for an active lifestyle to become a realistic choice for everyone living across Shropshire and Telford & Wrekin.

It would be wrong not to mention the terrible cost of life across our community during the pandemic and I would like to finish by paying tribute to both Steve Franks and Liz Clare who contributed so much in their time as Trustees at Energize who both sadly passed away in the last year.

Ray Sheldon – Chair

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Reserves Policy:

The Board have thoroughly reviewed Energize's Reserves Policy over the last year. It has been identified that reserves should be held for the following reasons:

- To provide a buffer in relation to income streams that are particularly volatile;
- To fund restricted cashflow deficits which arise at certain points during the year;
- To cover other operational commitments, notably staffing costs which are not fully funded through grants received;
- To offer the ability to seize unexpected new initiatives; and
- To give some shelter from unplanned adverse events.

A free reserve range of £85,000 to £100,000 was agreed.

Available free reserves as at 31st March 2021 were £110,128 (2020: £132,837) which is slightly in excess of the current agreed range. The Board have already designated funds following their review from free reserves for specific costs that fall outside the normal business as usual expenditure and is anticipating increasing this designation over the coming year.

Going Concern

During much of the financial year, the Charity followed the government guidance in response to the COVID-19 pandemic and continued to operate where possible whilst 'working from home'. As expected during this time demand for the Charity has increased and although certain income streams have been temporarily reduced, notably our fundraising and trading income, Sport England, our main funder, has confirmed financial funding to all Active Partnerships, including Energize until at least 31st March 2022. Furthermore Energize continue to be considered a 'System Partner' within Sport England's new strategy Uniting the Movement and are engaged in discussions about funding to continue as the Active Partnership for Shropshire and Telford & Wrekin for at least five years from 1st April 2022. What has also emerged is a growing recognition from local strategic commissioners of both the importance of physical activity together with the role Energize can play in helping to tackle inequalities and help society emerge and recover from the pandemic.

On this basis the trustees have reviewed revised budgets and cash flow forecasts for a period of more than twelve months from finalisation of these financial statements and the level of free reserves held. Following this, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Even now with the easing of restrictions, it's clear the landscape will be very different for the foreseeable future but with a new strategic direction and an emerging implementation plan the belief is that Energize can both play a key role in recovery as well as flourish as a local charitable company.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties

Using the Charity Commission Guidelines Energize has identified its major risks to be as follows. All of these Risks remain under regular review and the economic, social and environmental changes introduced by the Covid-19 pandemic require these existing Risks (and any potential new Risk) to be viewed in this new context

Governance Risks

- Energize derives much of its purpose from its principal funder Sport England who over the course of the last year has developed a new strategy 'Uniting the Movement'. During this time society has also been profoundly impacted by the Covid pandemic and it is a risk that the organisation loses direction and forward planning. However significant work has been progressed with Board, team and key local partners to ensure that a new strategy with clear direction and a focussed implementation plan is being developed.
- It is a risk for Energize that the Board and the staff team make up does not reflect the diverse communities that it serves and in order to tackle this risk the organisation continues to work to deliver its Diversity Action Plan and continue to gain expert support from Sport England to do this.
- Like many organisations Energize risks losing continuity if it loses key people – particularly the Chair and CEO at the same time – and work continues to mitigate this by better sharing key tasks and understanding of the strategy. Ray Sheldon has also been confirmed as Chair for the foreseeable future.

Operational Risks

- As a public funded organisation and local charity Energize is required to deliver social outcomes from its work – and to be able to tangibly demonstrate these. In order to deliver against this risk information and data is collected from delivery partners and is used both in reporting progress and to drive further improvements.
- The new operating environment is placing increasing demands on Energize and its staff and these create the risk of stress, stretch and capacity issues on the organisation – the new strategy has provided some clarity but the breadth and the depth of the work continues to be extensive. Board and Senior Management Team continue to explore use of resources and have developed a decision making tool to ensure the organisation remains focussed and on message.
- Achieving funding partner targets is always a risk but with the complete change to operating environment these potentially increased during the last year. However all funding partners appreciated this and either significantly reduced or completely removed delivery targets in the last year. In response Energize have had the freedom to identify new measures of success which have included learning about new barriers and mindsets during this time.
- The Coronavirus outbreak and its associated changes in national strategy as well as Energize's working environment potentially places staff at more risk of suffering from excessive stretch and stress. Senior

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Management Team and Board have developed a home working policy to support maintenance of positive and safe work environment. Return to office and 'hybrid' working are also being considered as the country returns to 'normal'.

Financial Risks

- Energize has limited reserves and is working hard to find the right balance between maintaining a level of reserves which is prudent and investing to grow as an organisation and achieve increased impact and longer-term sustainability – this year a 'designated' reserves fund has been identified to enable progress of appropriate sustainability plans in the future.
- Senior Management Team and Audit Committee have regularly reviewed the income and expenditure forecasts since the Coronavirus outbreak and revised likely levels of fees and charges based on situation to date. This potentially could have resulted in a increased dependency on core Sport England funding but it has also enabled the organisation to engage with new partners both tactically and operationally and become involved in supporting pandemic issues like growing inequalities and also future recovery plans.

External Risks

- Working to support vulnerable children and adults exposes Energize and our delivery partners to incidents including safeguarding and data protection. Policies and practices in these key areas continue to be monitored with oversight from Board and all staff are receiving support / training to incorporate into their daily routines as relevant. The area continues to be monitored closely by Senior Management Team in concert with Board Champion for Safeguarding
- As external circumstances have changed significantly over the last year understanding the impact this has had on society and being able to support both the universal offer and with targeted support has been critical. Through our individual project work (eg Short Breaks for Children and families with disabilities, School Games, Satellite Clubs, Falls Prevention for Older Adults and especially the Tackling Inequalities Fund) Energize have remained in close contact with many of the more at risk communities which enables us to continue to be responsive and a trusted partner for local strategic commissioners.

Compliance and Legal Risks

- Continuing to ensure compliance with the variety of governance codes during the pandemic has been a challenge particularly as Energize Boards and sub committees have not been able to meet in person. Moving the organisation onto Microsoft 365 early on during the pandemic has allowed a relatively smooth transition to video / online meetings and ultimately achieving some potentially improved circumstances in terms of efficiency of meeting for the future.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Reference and Administrative Details:

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|------------------------------|---|
| Registered Charity Name: | Energize Shropshire Telford & Wrekin |
| Charity Registration Number: | 1147861 |
| Company Registration Number: | 08066413 |
| Principal Registered Office: | The Guildhall, Frankwell Quay, Shrewsbury, Shropshire SY3 8HQ |

The Trustees, who are also the Directors for the purpose of Company Law, who served year Commencing 1st April 2020 and Ended 31st March 2021, are as follows:-

J Williamson – Chairman (resigned 29/4/2020)
R. Sheldon – (Senior Independent Director/ Chair (from 29/4/2020))
B. Nicholls
K. Dobson (Senior Independent Director from 29/4/2020)
F. Fortune
L. Izqueirdo
J. Buckley (Resigned 21/10/2020)
C. Hinks (appointed 16/7/2020)
N. Weller (appointed 16/7/2020)
R. Smith (appointed 16/7/2020)
M. Brady (appointed 16/7/2020)

Auditor: Independent Auditors LLP

Governance Framework:

Energize Shropshire, Telford & Wrekin (Energize STW) is a company limited by guarantee; the registration numbers are shown above. Energize STW was incorporated on May 11th 2012 and registered as a Charity on 27th June 2013. Energize STW is governed by its Memorandum and Articles of Association, as amended in September 2012, October 2015, November 2017, November 2018 and November 2020.

During the year ended 31st March 2021, Energize STW continued to be governed by a Board Trustees, as listed above, who also act as the Directors for the purposes of Company Law. The Board of Trustees meets every quarter to discuss the strategic direction and financial condition of the charity, ensure its core aims and objectives are met in the most efficient way and to take account of any risks to the charity and to make sure that all legal obligations are satisfied. Additionally, the following sub-committees meet on a quarterly basis to discuss specific areas of

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

performance or compliance, which is then fed back to the wider board for their full understanding and approval. Terms of reference are available upon request:-

- Audit Committee – Championed by K. Dobson
- People Committee – Championed by B. Nicholls
- Operational Performance – Championed by F. Fortune
- Remunerations Committee (which meets annually) – Combined contribution.
- Customer Sub-Committee – Championed by L. Izqueirdo

Additionally, L. Isqueirdo champions Equity & Diversity and Safeguarding. Copies of our Diversity Policy and Diversity Action Plan can be viewed on our website at www.energizestw.org.uk. In summary, Energize STW is an equal opportunity employer who seeks to recruit a workforce with diverse backgrounds and skills. Energize STW makes its services available to all and will go out of its way to educate its staff in order to maintain these values and open up opportunities to all. Energize records and publicly documents the ethnicity, gender and other key / protected characteristics of its Board and staff.

The Champion Roles for each Trustee and the Terms of Reference for each sub-committee were set and reviewed within the year. The Nominations Committee was also re-established this year to examine the future recruitment of Trustees vacancies and to consider next steps in the succession of the Energize STW Chair.

At the AGM of October 2020 R. Sheldon was reappointed as Chair for a further year and Linda Izqueirdo retired by rotation in accordance with the Articles and was re-appointed to serve a further 4 years.

Further to a unanimous approval of a Special Resolution to amend the Articles, changes were made to set the minimum number of Trustees to 4, clarification was given to the quorum number of Trustees and an amendment was made to extend the term of office of the chair to conform with governing documents.

For the year ended 31st March 2021, the Board of Trustees therefore consisted of an average of 9 Trustees from the public, private and voluntary sectors. None of these Directors/Trustees receives any remuneration for their time or efforts other than reimbursement of out-of-pocket expenses. None of the Trustees has any personal pecuniary beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up of the company.

Decision making within the organisation is undertaken in accordance with the Board Reserve Powers and Delegations of Authority.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Quarterly Board Meetings:

Meetings of the Trustee Board are conducted quarterly and Minutes taken to that effect.

Compliance and Strategy:

Upon appointment, all Trustees sign an Engagement Agreement that sets out the duties and commitment expected of a Trustee during their period of appointment. Separate agreements are signed by the Chair and each Board Champion. Furthermore, each Trustee is asked to sign a Conflicts of Interest document each year and to update this at each quarterly Board meeting and is also required to sign and adhere to a Directors Code of Good Conduct.

Energize STW can confirm that there have been no significant declarations of conflicts of interest during the past year.

The Company does not recognise any individual Director as a person of 'Significant Influence or Control'.

The Board is supported by Energize STW's Chief Executive and operational staff team, who conduct day to day business.

As a Charity and Company Ltd by Guarantee Energize aims to achieve high standards of Governance and we ensure that this happens in the following ways:-

- We can evidence how we meet the criteria detailed with the UK Governance Code for Sport, without deviation. We regularly review our compliance with the Code and include this review as a regular agenda item at Audit Committee level.
- Policy and procedure documents are annually reviewed and approved in rotation, including Financial Procedures, which are overseen by our Financial Management Consultant, annually Audited and approved at full Board level.
- Terms of Reference for each sub-committee, including Audit Committee, are reviewed and approved at Board level at least bi-annually and sometimes more frequently as the need arises.
- Energize STW publicly displays, through its website, copies of our key financial accounts; strategy; Governance Structure and Review; Articles of Association; Equity & Diversity policy and diversity review.
- We have established a Nominations Committee to further develop Board recruitment and oversee the future Chair recruitment. The Nominations Committee is Chaired by either the Board Chair or the Senior

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

Independent Director depending upon the role to be recruited. We base our recruitment of trustees upon a regularly reviewed skills matrix and in accordance with our equity and diversity policy.

- We use the expertise of our People's Committee to review our staff and volunteer satisfaction / motivation and remuneration and rewards policies.
- We review Trustee skills and conduct review and development meetings with both Trustees and staff annually, together with an annual staff satisfaction survey.
- Systems of Internal Control are reviewed and Risk Management Policy and procedure are overseen at Audit committee level and presented to the wider Board for approval. Ongoing review of risk is carried out at Senior Management Level and mitigation reviewed by the Audit Committee champion and presented to the wider board along with an overview of other areas for consideration within a performance dashboard.
- The Trustee Board has oversight of and approves the Energize STW Strategy, which feeds into a team Operational Plan.

Energize STW requires all Trustees, Company Secretary and staff to undertake Induction and continuing professional development to familiarise themselves with the political, funding and delivery environment in which the company operates; to set out their respective roles and responsibilities; and to ensure accountability and compliance with statutory Charity and Company Law and opportunities to attend training sessions to further enhance understanding and compliance are offered to both Trustees and the operational team.

Energize STW can show defined purpose, mission and values, which are reviewed and developed through consultation with both Trustees and staff.

Quality and Control:

Energize STW can Identified Key Performance Indicators which feed into a Performance Dashboard which is reported quarterly to Board.

We adhere to internal and external control processes, including those which effectively monitor financial control. Independent Auditors were appointed by the Board as our external Auditors for the year, following a rigorous selection process and recommendation from the finance team. The appointment of Auditors is approved annually and reviewed regularly. Financial Statements are reviewed at monthly management accounts level with the Senior Management Team, quarterly through trustee reports with the Audit Committee and wider Board and annually by our external Auditors. Annual financial reports are approved by the wider Board or Trustees.

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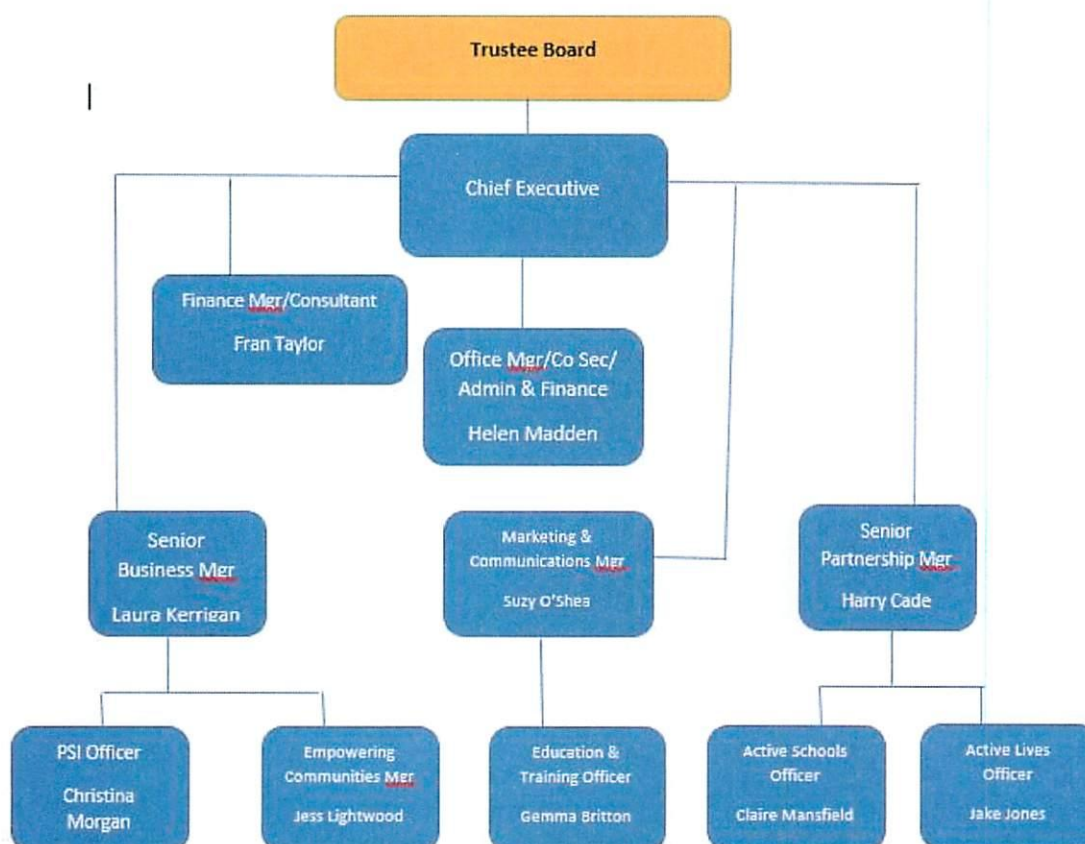
TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2021

There were no significant lapses in data security during the reported year.

Energize are an Active Partnership and as such a member of the Active Partnerships national federation which helps us both to share experiences and insight and also learn from others as well as working collaboratively when required. However, it does not interfere with the organisations independence.

Staff Structure:

Energize STW has a clear staff structure (as shown below):-



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NOTES TO THE FINANCIAL STATEMENTS
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This report was approved by the Trustees, on Thursday 29th July 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'R Sheldon', written over a horizontal line.

R Sheldon

Energize Shropshire Telford & Wrekin

Audit Report Unqualified

Independent Auditor's Report to the Members of Energize Shropshire Telford & Wrekin

Opinion

We have audited the accounts of Energize Shropshire Telford & Wrekin (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the Notes to the Accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its profit/loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report and accounts, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Energize Shropshire Telford & Wrekin

Audit Report Unqualified

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based upon the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement found in the trustees' report, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Energize Shropshire Telford and Wrekin Audit Report Unqualified

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Inquiry of management, those charged with governance and the company's solicitors around actual and potential litigation and claims;
- Inquiry of company staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathon Dale BA (Hons) FCA, Senior Statutory Auditor
For and on behalf of Independent Auditors LLP, Chartered Accountants and Statutory Auditors
Emstrey House North
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

24 SEPTEMBER 2021

Energize Shropshire Telford & Wrekin
Statement of Financial Activities
for the year ended 31 March 2021

| | | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|--------------|--|--|-----------------------------------|-----------------------------------|
| | Notes | | | | |
| Income and endowments from: | | | | | |
| Donations and legacies | 4 | 15,000 | 195,000 | 210,000 | 210,000 |
| Charitable activities | 5 | 77,343 | 260,979 | 338,322 | 390,011 |
| Other trading activities | 6 | 5,510 | - | 5,510 | 11,068 |
| Investments | 7 | - | - | - | 735 |
| Total | | 97,853 | 455,979 | 553,832 | 611,814 |
| Expenditure on: | | | | | |
| Charitable activities | 8 | 73,970 | 453,918 | 527,888 | 557,416 |
| Total | | 73,970 | 453,918 | 527,888 | 557,416 |
| Net income | 11 | 23,883 | 2,061 | 25,944 | 54,398 |
| Transfers between funds | | (7,289) | 7,289 | - | - |
| Net income before other gains/(losses) | | 16,594 | 9,350 | 25,944 | 54,398 |
| Other gains and losses | | | | | |
| Net movement in funds | | 16,594 | 9,350 | 25,944 | 54,398 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 137,591 | 650 | 138,241 | 83,843 |
| Total funds carried forward | | 154,185 | 10,000 | 164,185 | 138,241 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Energize Shropshire Telford & Wrekin**Balance Sheet**

at 31 March 2021

| Company No. 08066413 | Notes | 2021 £ | 2020 £ |
|--|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 14 | 4,057 | 5,404 |
| | | <u>4,057</u> | <u>5,404</u> |
| Current assets | | | |
| Debtors | 15 | 60,057 | 14,183 |
| Cash at bank and in hand | | 419,208 | 297,799 |
| | | <u>479,265</u> | <u>311,982</u> |
| Creditors: Amount falling due within one year | 16 | (299,144) | (157,352) |
| Net current assets | | <u>180,121</u> | <u>154,630</u> |
| Total assets less current liabilities | | <u>184,178</u> | <u>160,034</u> |
| Net assets excluding pension asset or liability | | <u>184,178</u> | <u>160,034</u> |
| Defined benefit pension scheme liability | 17 | (19,993) | (21,793) |
| Total net assets | | <u>164,185</u> | <u>138,241</u> |
| The funds of the charity | | | |
| Restricted funds | 18 | | |
| Restricted income funds | | 10,000 | 650 |
| | | <u>10,000</u> | <u>650</u> |
| Unrestricted funds | 18 | | |
| General funds | | 114,185 | 137,591 |
| Designated funds | | 40,000 | - |
| | | <u>154,185</u> | <u>137,591</u> |
| Reserves | 18 | | |
| Total funds | | <u>164,185</u> | <u>138,241</u> |

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the board on 29 July 2021

And signed on its behalf by:

R.G. Sheldon

Trustee



Energize Shropshire Telford & Wrekin
Statement of Cash flows
for the year ended 31 March 2021

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net income per Statement of Financial Activities | 25,944 | 54,398 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 3,127 | 2,874 |
| Increase in trade and other receivables | (45,874) | (3,708) |
| Increase/(Decrease) in trade and other payables | 139,992 | (1,274) |
| Net cash provided by operating activities | <u>123,189</u> | <u>6,520</u> |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment | (1,780) | (4,352) |
| Net cash used in investing activities | <u>(1,780)</u> | <u>(4,352)</u> |
| Net cash from financing activities | <u>-</u> | <u>-</u> |
| Net increase in cash and cash equivalents | 121,409 | 2,168 |
| Cash and cash equivalents at the beginning of the year | 297,799 | 295,631 |
| Cash and cash equivalents at the end of the year | <u>419,208</u> | <u>297,799</u> |
| Components of cash and cash equivalents | | |
| Cash and bank balances | 419,208 | 297,799 |
| | <u>419,208</u> | <u>297,799</u> |

Energize Shropshire Telford & Wrekin
Notes to the Accounts
for the year ended 31 March 2021

1 Accounting policies

Basis of preparation

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) and the Companies Act 2006.

Energize Shropshire Telford and Wrekin 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.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

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.

Going concern

Having considered future plans and forecast financial budgets, the Trustees confirm that they are not aware of any material uncertainties, including those related to the Covid-19 outbreak, with regard to the Charitable Company's ability to continue as a going concern for the foreseeable future and therefore have prepared these financial statements on the going concern basis.

Fund accounting

| | |
|--------------------|---|
| Unrestricted funds | These are available for use at the discretion of the trustees in furtherance of the general objects of the charity. |
| Designated funds | These are unrestricted funds earmarked by the trustees for particular purposes. |
| Restricted funds | These are available for use subject to restrictions imposed by the donor or through terms of an appeal. |

Energize Shropshire Telford & Wrekin

Notes to the Accounts

Income

| | |
|--|---|
| Recognition of Income | Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued. |
| Income with related expenditure | Where income has related expenditure the income and related expenditure is reported gross in the SoFA. |
| Donations and legacies | Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income. In relation to grants, the balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. |
| Donated services and facilities | These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charitable Company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. |
| Volunteer help | The value of any volunteer help received is not included in the accounts. |
| Investment income | This is included in the accounts when receivable. |

Expenditure

| | |
|---|---|
| Recognition of expenditure | Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. |
| Expenditure on charitable activities | These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs. |
| Grants payable | All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid. |
| Governance costs | These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs. |

Taxation

The charity is exempt from corporation tax on its charitable activities.

Energize Shropshire Telford & Wrekin

Notes to the Accounts

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|-----------------------|-------------------|
| Computer equipment | 33% Straight line |
| Fixtures and fittings | 25% Straight line |

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost using the effective interest method.

Pension costs

Defined contribution plan

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

Defined benefit plan

The charitable company contributes to the Shropshire County Pension Fund ("the Fund" or "the Scheme") on behalf of one of its employees. The Fund is a defined benefit scheme providing pension and lump sum benefits at retirement based on final salary and length of service (both as defined in the Scheme Rules). The Scheme is a multi-employer scheme and whilst it is not possible to separately identify its share of the underlying assets and liabilities, the charitable company is required to contribute towards the deficit on the Scheme.

2 Company status

Energize Shropshire, Telford and Wrekin is a company limited by guarantee registered in England and Wales and consequently does not have share capital.

Energize Shropshire Telford & Wrekin
Notes to the Accounts
3 Statement of Financial Activities - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|---|------------------------------------|----------------------------------|--------------------------|
| Income and endowments from: | | | |
| Donations and legacies | 15,000 | 195,000 | 210,000 |
| Charitable activities | 102,411 | 287,600 | 390,011 |
| Other trading activities | 11,068 | - | 11,068 |
| Investments | 735 | - | 735 |
| Total | 129,214 | 482,600 | 611,814 |
| Expenditure on: | | | |
| Charitable activities | 74,816 | 482,600 | 557,416 |
| Total | 74,816 | 482,600 | 557,416 |
| Net income | 54,398 | - | 54,398 |
| Transfers between funds | 5,406 | (5,406) | - |
| Net income before other gains/(losses) | 59,804 | (5,406) | 54,398 |
| Other gains and losses: | | | |
| Net movement in funds | 59,804 | (5,406) | 54,398 |
| Reconciliation of funds: | | | |
| Total funds brought forward | 77,787 | 6,056 | 83,843 |
| Total funds carried forward | 137,591 | 650 | 138,241 |

4 Income from donations and legacies

| | Unrestricted £ | Restricted £ | Total 2021 £ | Total 2020 £ |
|---------------------------------|-------------------|-----------------|--------------------|--------------------|
| Grants | - | 195,000 | 195,000 | 195,000 |
| Donated services and facilities | 15,000 | - | 15,000 | 15,000 |
| | 15,000 | 195,000 | 210,000 | 210,000 |

Donated goods, facilities and services received

| | Total 2021 £ | Total 2020 £ |
|-----------------|--------------------|--------------------|
| Office premises | 15,000 | 15,000 |
| | 15,000 | 15,000 |

Energize Shropshire Telford & Wrekin
Notes to the Accounts
5 Income from charitable activities

| | Unrestricted | Restricted | Total 2021 | Total 2020 |
|-------------------------|---------------------|-------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Grants | - | 260,979 | 260,979 | 279,300 |
| Strategic commissioning | 56,201 | - | 56,201 | 54,368 |
| Consultancy | 19,777 | - | 19,777 | 20,149 |
| Training and education | 1,365 | - | 1,365 | 36,194 |
| | <u>77,343</u> | <u>260,979</u> | <u>338,322</u> | <u>390,011</u> |

6 Income from other trading activities

| | Unrestricted | Total 2021 | Total 2020 |
|-----------------------------|---------------------|-----------------------|-----------------------|
| | £ | £ | £ |
| Sponsorship and advertising | 5,000 | 5,000 | 6,000 |
| Fundraising | 115 | 115 | 4,185 |
| Other Income | 395 | 395 | 883 |
| | <u>5,510</u> | <u>5,510</u> | <u>11,068</u> |

7 Income from investments

| | Total 2021 | Total 2020 |
|--------------------------|-----------------------|-----------------------|
| | £ | £ |
| Bank interest receivable | - | 735 |
| | <u>-</u> | <u>735</u> |

Energize Shropshire Telford & Wrekin
Notes to the Accounts
8 Expenditure on charitable activities

| | Unrestricted | Restricted | Total 2021 | Total 2020 |
|---|---------------|----------------|----------------|----------------|
| | £ | £ | £ | £ |
| <i>Expenditure on charitable activities</i> | | | | |
| Direct programme expenditure | 17,287 | 22,182 | 39,469 | 131,870 |
| Direct staff costs | 29,227 | 87,878 | 117,105 | 184,544 |
| Grants made | - | 85,662 | 85,662 | - |
| <i>Support and governance costs</i> | | | | |
| Support staff costs | 7,110 | 198,306 | 205,416 | 158,449 |
| Premises expenses | 15,000 | - | 15,000 | 15,000 |
| Legal and professional | 1,745 | 23,037 | 24,782 | 5,000 |
| Other office costs | 899 | 22,166 | 23,065 | 26,869 |
| Advertising and marketing | 25 | 6,564 | 6,589 | 3,391 |
| Staff training | 200 | 956 | 1,156 | 1,507 |
| Travelling | - | 1,033 | 1,033 | 11,724 |
| Sundry expenses | - | 314 | 314 | 9,913 |
| Depreciation | 2,477 | 650 | 3,127 | 2,874 |
| Governance costs | - | 5,170 | 5,170 | 6,275 |
| | <u>73,970</u> | <u>453,918</u> | <u>527,888</u> | <u>557,416</u> |

9 Analysis of income and expenditure by fund provider

| | Sport England | Local Authority | Other public sector income | Non public income | Total 2021 |
|---------------------------------|------------------|--------------------|----------------------------------|----------------------|---------------|
| | £ | £ | £ | £ | £ |
| Income | | | | | |
| Revenue grants | 430,578 | 18,801 | - | 6,600 | 455,979 |
| Commissioning | - | 54,100 | 2,101 | - | 56,201 |
| Sponsorship | - | - | - | 5,000 | 5,000 |
| Other | - | 395 | - | 36,257 | 36,652 |
| Expenditure | | | | | |
| Direct programme expenditure | (92,994) | (24,481) | - | (6,056) | (123,531) |
| Staff costs | (285,633) | (34,386) | (2,101) | (401) | (322,521) |
| Premises expenses | - | - | - | (15,000) | (15,000) |
| Legal and professional | (23,037) | (1,500) | - | (245) | (24,782) |
| Other office costs | (22,166) | (451) | - | (448) | (23,065) |
| Advertising and marketing | (6,564) | (25) | - | - | (6,589) |
| Staff training | (956) | - | - | (200) | (1,156) |
| Travelling | (1,033) | - | - | - | (1,033) |
| Sundry expenses | (314) | - | - | - | (314) |
| Depreciation | (598) | - | - | (2,529) | (3,127) |
| Governance costs | (5,170) | - | - | - | (5,170) |
| Transfer between funds | 7,838 | (2,453) | - | (5,385) | - |
| | <u>(49)</u> | <u>10,000</u> | <u>-</u> | <u>17,593</u> | <u>27,544</u> |

10 Analysis of grants

| Activity or programme | Grants to Institutions | Total 2021 | Total 2020 |
|-----------------------|---------------------------|---------------|---------------|
| | £ | £ | £ |
| Tackling Inequalities | 86,024 | 86,024 | - |
| | <u>86,024</u> | <u>86,024</u> | <u>-</u> |

| Activity or programme | Activities undertaken directly | Grant funding of activities | Total 2021 | Total 2020 |
|-----------------------|--------------------------------------|-----------------------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Tackling Inequalities | 362 | 85,662 | 86,024 | - |
| | <u>362</u> | <u>85,662</u> | <u>86,024</u> | <u>-</u> |

Energize Shropshire Telford & Wrekin

Notes to the Accounts

11 Net income before transfers

| | 2021 | 2020 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| This is stated after charging: | | |
| Auditors' remuneration | 5,100 | 6,186 |

12 Trustee remuneration and expenses

One or more of the trustees has been paid expenses in the current or prior periods.

| | 2021 | 2020 |
|---------------------------------------|--|---------------|
| | Number | Number |
| Number of trustees paid expenses | 1 | 3 |
| The nature of the reimbursed expenses | During the year expenses were reimbursed to trustees for IT subscriptions. | |
| | £ | £ |
| Total expenses reimbursed to trustees | 144 | 449 |

13 Staff costs

| | 2021 | 2020 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Salaries and wages | 280,895 | 336,319 |
| Social security costs | 22,133 | 27,532 |
| Pension costs | 19,493 | (20,858) |
| | <u>322,521</u> | <u>342,993</u> |

Included above in pension costs is the movement on the pension liability of £1,800 (2020: -£45,700). See note 17.

No employee received emoluments in excess of £60,000.

| | 2021 | 2020 |
|--|-------------|-------------|
| | £ | £ |
| Total employee benefits received by key management personnel | 153,852 | 149,209 |

The average number of persons employed by the charitable company during the year were:

| | 2021 | 2020 |
|---|---------------|---------------|
| | Number | Number |
| Average headcount | 11 | 14 |
| Average headcount expressed as full time equivalent | 10 | 13 |

Energize Shropshire Telford & Wrekin
Notes to the Accounts

14 Tangible fixed assets

| | Computer equipment | Fixtures and fittings | Total |
|--|-----------------------|-----------------------------|---------------|
| | £ | £ | £ |
| Cost or revaluation | | | |
| At 1 April 2020 | 26,998 | 5,967 | 32,965 |
| Additions | 1,780 | - | 1,780 |
| At 31 March 2021 | <u>28,778</u> | <u>5,967</u> | <u>34,745</u> |
| Depreciation and impairment | | | |
| At 1 April 2020 | 21,594 | 5,967 | 27,561 |
| Depreciation charge for the year | 3,127 | - | 3,127 |
| At 31 March 2021 | <u>24,721</u> | <u>5,967</u> | <u>30,688</u> |
| Net book values | | | |
| At 31 March 2021 | <u>4,057</u> | <u>-</u> | <u>4,057</u> |
| At 31 March 2020 | <u>5,404</u> | <u>-</u> | <u>5,404</u> |

15 Debtors

| | 2021 | 2020 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 50,618 | 10,715 |
| Prepayments and accrued income | 9,439 | 3,468 |
| | <u>60,057</u> | <u>14,183</u> |

16 Creditors:

amounts falling due within one year

| | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 3,663 | 14,116 |
| Other taxes and social security | 19,954 | 8,355 |
| Other creditors | 62 | 3,552 |
| Accruals and deferred income | 275,465 | 131,329 |
| | <u>299,144</u> | <u>157,352</u> |

Grant and contract income has been deferred when specific criteria attached to the terms and conditions of the service delivery has not been met at the year end.

| Movement of the deferred income | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| At 1 April | 124,784 | 134,787 |
| Deferred | 452,339 | 502,268 |
| Released | (307,187) | (512,271) |
| At 31 March | <u>269,936</u> | <u>124,784</u> |

17 Pension commitments

Defined contribution plans

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

| | 2021 | 2020 |
|---|-------------|-------------|
| | £ | £ |
| The pension cost charge represents contributions payable by the charitable company to the fund and amounts to | 5,892 | 12,673 |
| Contributions payable to the fund at the balance sheet date and included in creditors | - | - |

Defined benefit plans

The charitable company contributes to the Shropshire County Pension Fund ("the Fund" or "the Scheme") on behalf of one of its employees. The Fund is a defined benefit scheme providing pension and lump sum benefits at retirement based on final salary and length of service (both as defined in the Scheme Rules). The Scheme is a multi-employer scheme and whilst it is not possible to separately identify its share of the underlying assets and liabilities, the charitable company is required to contribute towards the deficit on the Scheme.

As at 31 March 2019, the Scheme was 84% funded (based on the assumptions which underpinned the last Triennial Valuation of the Fund as at that date) and a deficit recovery period of 20 years, effective from 1 April 2019, has been put in place. From April 2020 levels are set at 20.8% which includes 3.4% in respect of the deficit and 0.8% McCloud estimated cost.

In accordance with section 28.11A and 28.13A of FRS102 the charitable company recognises a defined benefit pension plan liability on its Statement of Financial Position. The liability is calculated by reference to the expected salary increases and remaining working lives of members before they reach pensionable age over the deficit period and using the current level of inflation as at the balance sheet date.

| | 2021 | 2020 |
|---|-------------|-------------|
| | £ | £ |
| The total contributions (employee and employer) payable by the Charitable Company to the Fund in the period amounted to | 19,941 | 17,124 |

The state of the financial position pension liability is determined as follows:

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| At 1 April 2020 | 21,793 | 67,563 |
| Total contributions in the period (employee and employer) | (19,941) | (17,124) |
| Movement in estimated liability in the period | 18,141 | (28,646) |
| At March 2021 | 19,993 | 21,793 |

Energize Shropshire Telford & Wrekin

Notes to the Accounts

18 Movement in funds

| | At 1 April 2020 | Incoming resources (including other gains/losses) £ | Resources expended £ | Gross transfers £ | At 31 March 2021 £ |
|--|--------------------|--|----------------------------|-------------------------|--------------------------|
| Restricted funds: | | | | | |
| Restricted income funds: | | | | | |
| Sport England - Primary Role | - | 195,000 | (204,068) | 9,068 | - |
| Sport England - DfE Volunteering | - | 11,635 | (11,635) | - | - |
| Sport England - Children & Young People | 598 | 107,728 | (106,547) | (1,779) | - |
| Sport England - Coaching/Workforce development | - | 29,667 | (29,667) | - | - |
| Sport England - Tackling Inequalities | - | 86,548 | (86,548) | - | - |
| Life Chances | - | 15,000 | (5,000) | - | 10,000 |
| Evolve into Spring | - | 8,801 | (8,801) | - | - |
| Other restricted funds | 52 | 1,600 | (1,652) | - | - |
| Total | 650 | 455,979 | (453,918) | 7,289 | 10,000 |
| Unrestricted funds: | | | | | |
| General funds | 137,591 | 41,257 | (19,827) | (44,836) | 114,185 |
| Designated funds: | | | | | |
| Sustainability project | - | - | - | 40,000 | 40,000 |
| Local authority projects | - | 54,495 | (52,042) | (2,453) | - |
| Other public sector income projects | - | 2,101 | (2,101) | - | - |
| Total | - | 56,596 | (54,143) | 37,547 | 40,000 |
| Revaluation Reserves: | | | | | |
| Total funds | 138,241 | 553,832 | (527,888) | - | 164,185 |

Purposes and restrictions in relation to the funds:

Restricted funds:

| | |
|------------------------------|---|
| Sport England - Primary Role | This provides financial support to enable the effective delivery of the Active Partnership (previously County Sport Partnership) core specification and covers back office costs. |
|------------------------------|---|

Energize Shropshire Telford & Wrekin

Notes to the Accounts

| | |
|---|---|
| Sport England - DfE Volunteering | Fund to identify and deploy volunteers 16 years +. Some focus is centred around level 2 of the School Games programme. |
| Sport England - Children & Young People | This encompasses the previously known Active Lives, Primary School Support, School Games and from 1st April 2021, Satellite Clubs funding. To work with Young people in schools and creating community and educational links. |
| Sport England - Coaching/Workforce development | This encompasses the previously known Active Lives, Primary School Support, School Games and from 1st April 2021, Satellite Clubs funding. To work with Young people in schools and creating community and educational links. |
| Sport England - Tackling Inequalities | This fund exists to help to reduce the negative impact of coronavirus and the widening of the inequalities in sport and physical activity. |
| Life Chances | The Chances programme, co-developed by Substance, Sport England, Life Chances Fund and Big Issue invest is to create new opportunities to empower young people to get active and re-engage with education and skills provision - with the focus being on young people from lower socio-economic backgrounds and those with an offending record and/or low school attendance. |
| Evolve into Spring | Funded by Shropshire County Council to offer low level, gentle and fun physical activity through a telephone advisory service for older people wanting to stay or become active into Spring 2021. |
| Other restricted funds | Any legacy funds or new funds with a value of less than £5,000. |
| Designated funds: | |
| Sustainability project | In October 2020, as part of the overall review of the charity's reserves, the Board agreed to earmark funds available of £40,000 for a future sustainability project. It is expected that a total amount of £100,000 is required in order to undertake this work and so further funds when they become available are to be earmarked with the intention to commence this project in 2023. |
| Local authority projects | The organisation undertakes a number of projects which are commissioned by local authorities. Whilst these are not restricted funds, due to the public nature of the activities the charity is keen to ensure transparent and clear reporting of the relevant financial transactions. Accordingly designated funds are set-up to report these. |
| Other public sector income projects | As above, the organisation also works with a number of other public sector bodies and is keen to ensure transparency and clear reporting of relevant financial transactions. |

Energize Shropshire Telford & Wrekin

Notes to the Accounts

19 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total |
|--|-----------------------|---------------------|----------------|
| | £ | £ | £ |
| Fixed assets | 4,057 | - | 4,057 |
| Net current assets | 170,121 | 10,000 | 180,121 |
| Defined benefit pension scheme liability | | (19,993) | (19,993) |
| | <u>154,185</u> | <u>10,000</u> | <u>164,185</u> |

20 Reconciliation of net debt

| | At 1 April 2020 | Cash flows | At 31 March 2021 |
|---------------------------|--------------------|----------------|---------------------|
| | £ | £ | £ |
| Cash and cash equivalents | 297,799 | 121,409 | 419,208 |
| | <u>297,799</u> | <u>121,409</u> | <u>419,208</u> |
| Net debt | <u>297,799</u> | <u>121,409</u> | <u>419,208</u> |

21 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

| | 2021 Land and buildings | 2021 Other | 2020 Land and buildings | 2020 Other |
|--|-------------------------------|---------------|-------------------------------|---------------|
| | £ | £ | £ | £ |
| Operating leases with expiry date: | | | | |
| In the second to fifth years inclusive | - | 662 | - | - |
| | <u>-</u> | <u>662</u> | <u>-</u> | <u>-</u> |

22 Related party disclosures

There were no related party transactions during the year.

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.