

Charity Registration No. 1163134

THE BLACKWOOD ENGINEERING TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

THE BLACKWOOD ENGINEERING TRUST

CONTENTS

	Page
Trustees report	1 - 5
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 15

THE BLACKWOOD ENGINEERING TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The trustees present their report and accounts for the year ended 30 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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 2019)".

Objectives and activities

The Blackwood Engineering Trust objective is broadly advancing the education of and generally benefiting children and young people in need by reason of poverty, bereavement, sickness or disability in the UK and abroad for the public benefit, including Belgium, China and India.

The Trust is totally financed by contributions from Blackwood Engineering Ltd with the approval of the Directors and principal shareholder, the company makes monthly contributions and as such will have limited resources and we will therefore aim to prioritise our donations as follows:

- Charitable organisations in locations where Blackwood Engineering operate in the UK, China and around the world.
- Projects that benefit children which have little funding from statutory bodies.
- Projects for children largely run by voluntary organisations
- Projects helping sick, disabled and orphaned children.

More recently we have determined that in both China and India we must focus our donations on a small number of charitable organisations that meet our criteria, ensuring that we have maximum impact on the children we are helping. It is our intention to develop a long-term relationship with these organisations through regular donations

Achievements and performance

During the year to 30 April 2021, the trust provided grants to individuals and organisations totalling £87,498 (2020: £35,362) in furtherance of its charitable objectives.

Financial review

The trust received £60,000 in donations in the period and paid out grants totalling £87,498. The trust has restricted reserves of £98,862 at 30 April 2021 which will be used in future periods in furtherance of its objectives.

Reserves

The trustees consider no reserves are needed as the donations are for the full benefit of the charity and the trust does not incur any administration costs.

THE BLACKWOOD ENGINEERING TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Risks

The charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

We understand that there is a dependency on Blackwood Engineering Limited as an income source. Blackwood Engineering Limited is a successful business and the Blackwood Engineering Trust has now become part of Blackwood Engineering monthly budgeted overheads. There is close monitoring and review of Blackwood Engineering Ltd financial statements and cash flow projections. We do not foresee at this time that funding from Blackwood Engineering Ltd will be an issue if in the future the funding did need to reduce we would know in advance and be able to react proactively. Grants are only awarded if money is available and if we were to work with on-going partners then grants are reviewed on a yearly basis expenditure if not committed to in advance.

THE BLACKWOOD ENGINEERING TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Structure, governance and management

The charity is a registered Charitable Incorporated Organisation and was registered with the Charity Commission on 14 August 2015. The charities governing document is the CIO Foundation Constitution.

The charity has policies in place for Risk management, Investments, Safeguarding vulnerable beneficiaries, Conflicts of Interest, Volunteer management, Complaints handling and paying staff.

Key management personnel

Trustees are key management personnel and they do not receive salary or expenses through the trust. The trust does not employ any staff.

THE BLACKWOOD ENGINEERING TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Reference and Administrative Details

Charity number: 1163134

Principal office: Trust Administrator
c/o Blackwood Engineering Limited
Glandwr Industrial Estate
Aberbeeg
Abertillery
Gwent
NP13 2LN

Trustees Mr Paul Connor
Dr Peter Lloyd
Miss Rebecca Watkins
Miss Soo Peng Chua resigned 14 October 2020
Mrs Rachel Nia Kerr
Ms Rebecca Crowle appointed 1 March 2021
Ms Lucy Carey appointed 1 March 2021
Richard Clark appointed 20 January 2021 - resigned 19 January 2022
Robert Cornock appointed 20 January 2021 - resigned 1 November 2021

Key Management Personnel Mr Paul Connor
Dr Peter Lloyd
Miss Rebecca Watkins
Miss Soo Peng Chua resigned 14 October 2020
Mrs Rachel Nia Kerr
Ms Rebecca Crowle appointed 1 March 2021
Ms Lucy Carey appointed 1 March 2021
Richard Clark appointed 20 January 2021 - resigned 19 January 2022
Robert Cornock appointed 20 January 2021 - resigned 1 November 2021

Independent Examiner: Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers: HSBC
South Wales Corporate Centre
Axis Court
Mallard Way
Llansamlet
Swansea
SA7 0AJ

The trustees report was approved by the Board of Trustees.



Rebecca Watkins

THE BLACKWOOD ENGINEERING TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Trustee

Dated: 24/2/22

THE BLACKWOOD ENGINEERING TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 30 APRIL 2021

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE BLACKWOOD ENGINEERING TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BLACKWOOD ENGINEERING TRUST

I report to the trustees on my examination of the financial statements of The Blackwood Engineering Trust (the charity) for the year ended 30 April 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.



Sarah Case FCA DChA
Azets Audit Services

Dated: 24/02/2022

THE BLACKWOOD ENGINEERING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Restricted funds 2021 £	Restricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	3	60,000	60,000
<u>Expenditure on:</u>			
Charitable activities	4	87,693	35,390
Net income/(expenditure) for the year/ Net movement in funds		(27,693)	24,610
Fund balances at 1 May 2020		126,555	101,945
Fund balances at 30 April 2021		<u>98,862</u>	<u>126,555</u>

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

All income and expenditure derive from continuing activities.

THE BLACKWOOD ENGINEERING TRUST

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		98,862		126,555	
Creditors: amounts falling due within one year		-		-	
Net current assets			98,862		126,555
Income funds					
Restricted funds	7	98,862		126,555	
Unrestricted funds		-		-	
		98,862		126,555	

The accounts were approved by the Trustees on 24/2/22

R. Watkins

Rebecca Watkins
Trustee

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity reported a net outflow of £27,693 for the year. This charity has sufficient free reserves and is monitoring results on a frequent basis. At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is included in the Statement of Financial Activities (SoFA) when:

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

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Donations

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

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Grants payable without performance conditions

Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Taxation

As a registered charity, The Blackwood Engineering Trust is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.8 Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS 102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS 102 SORP.

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Restricted funds
	2021	2020
	£	£
Donations and gifts	60,000	60,000

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

4 Charitable activities

		2021 £	2020 £
Grants paid	Country:		
Vasanthum Trust	India	1,650	-
Rural Christian Lepars Welfare Association	India	1,750	-
Sec	India	1,500	-
Save	India	1,900	-
Srhed Ngo	India	2,000	-
Tapwa	India	1,967	-
Women & Child Development Charitable Trust	India	1,887	-
Chora Chori	ROW	1,500	-
Sense International	India	1,992	-
21 Plus	UK	16,000	-
Orphanage Homeless Children	ROW	2,000	-
Ebeneza Women Welfare	India	2,000	-
Peoples Organization For Welfare & Education In Rural	India	1,525	-
Integrated Rural Development Society	India	1,370	-
Child Brain Injury Trust	UK	2,000	-
Whizz-Kidz	UK	2,000	2,000
Read for Good	UK	2,000	-
World In Need International	India	1,150	-
Ebeneza Baptist Church	UK	1,000	-
Bethany Six Bells	UK	1,100	-
Gansu Project (Elizabeth)	China	22,128	-
Gansu Project (Elizabeth)	China	132	-
Freya Foundation	UK	1,000	-
Tearfund Wales	UK	2,000	2,000
UK Reads	UK	1,540	-
Siva	India	1,765	-
Childrens Air Ambulance	UK	1,000	-
St Illyd School Llanhilleith	UK	1,642	-
St Marys Church in Wales Primary School	UK	2,000	-
Health Help International	India	4,000	-
Ysgol Gymraeg Bro Helyg	UK	2,000	-
Hope GB	UK	-	2,000
Read for good	UK	-	2,000

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

4 Charitable activities

(Continued)

Action Medical research	UK	-	1,000
CCAFC Gansu	China	-	8,139
Philanthropic - Orphanage	India	-	6,261
The Dash Charity	UK	-	1,000
Suresh	India	-	2,000
Jawahar Rural Peoples Development	India	-	2,000
Brighter Future	India	-	1,000
Race to Line Project (CCBC)	UK	-	750
Helixtrail 10	Belgium	-	212
Llamau	UK	-	2,000
Llamau COVID Response	UK	-	2,000
Baby Oliver	UK	-	1,000
		87,498	35,362

The charity incurred bank fees of £195 (2020: £28).

5 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

The key management personnel of the charity are the trustees.

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. There trustees did not claim expenses.

THE BLACKWOOD ENGINEERING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

7 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 May 2019	Movement in funds		Balance at 1 May 2020	Movement in funds		Balance at 30 April 2021
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£
Blackwood Engineering	101,945	60,000	(35,390)	126,555	60,000	(87,693)	98,862

8 Analysis of net assets between funds

	Restricted Funds 2021 £	Restricted Funds 2020 £
Fund balances at 30 April 2021 are represented by:		
Current assets/(liabilities)	98,862	126,555
	<u>98,862</u>	<u>126,555</u>

9 Related party transactions

The only related party transactions are the donations from Blackwood Engineering Limited to the trust who are linked through common directors.