

Annual Report Legacy WM 2021/2022

Chair's Foreword

2022 has seen a return to more normal times for Legacy WM after the disruptions of the past two and half years. The charity has grown significantly over the past year with new projects being developed alongside the core work of Legacy WM through the "Family Fit Forward" project amongst others. I would like to congratulate and thank the Project Director and the Legacy WM staff team for their efforts, dedication and commitment over the past twelve months which has seen ongoing significant impact on the community groups with which Legacy WM engages. 2023 is likely to see further growth for Legacy WM with some exciting projects being explored and new partnerships established with other providers in the wider community.

I am stepping down as Chair of Legacy WM and from Legacy WM after a period of seven years as Chair and ten years as a trustee. My involvement with Legacy WM began when the charity was very small and largely a "one man band." It has been a fascinating and at times challenging experience seeing Legacy WM grow over the past ten years and significantly expand its range of activities and impact on the community of East Handsworth and Lozells during that time. The work that I have personally valued the most during my time as Chair has been Legacy WM's engagement with groups within the community who are often neglected and who exist "under the radar". Enabling these groups to engage with wider communities and "have a voice" has for me been a special part of Legacy WM's work.

I wish Legacy WM and all involved with the charity – trustees, the staff team, volunteers, and the community groups / partners linked with the charity the very best for the future. Legacy WM's journey so far has been an exciting one and I am confident that that journey is far from over.

Chris Smith

Chair, Legacy WM

CEO report

This is a seminal year for us, as we managed to celebrate 12 years in style at Aston Villa with over 400 guests. The Commonwealth Games showcased the city in all its glory and has laid the foundations for future events. We were unable to deliver on our flagship arts installations partly due to the Games and delay in planning permission, these are now planned for 2023 launch.

This has been an exceptional year of growth as we have almost doubled our income. This is due to having a dedicated person working on development. We now have a member of staff focusing on marketing which has meant a greater reach and awareness. A new volunteer co-ordinator role is providing support and development opportunities to the people we work with. The growth has meant that we have had a new structure with me as the CEO, Director and two Managers which form the Senior Leadership Team.

I remain the 'poster boy' and feel privileged and humbled by the work of my dedicated staff team, who go beyond the call of duty. The volunteers are a crucial part of our success and the very fact that a third of our staff team started with us as volunteers speaks volume. We have had two new editions to our board and they have added to the quality and bring a

unique skill set that will help us on the next phase of our development. I am extremely grateful to them. I would like to thank all our service users for being on this journey with us. Our delivery would not be possible without all our amazing funders new and old. We are grateful for your continued support – thank you.

Treasurer's Report

I joined Legacy West Midlands in 2021 and I have assumed the role of Treasurer from Gary Bowman who did a fantastic job. From a finance perspective, the charity has grown in strength and resilience. Like a lot of organisations and individuals we have all been challenged by rising inflation, rising interest rates. In spite of this, we have managed to grow our income base through donations. We continue to generate trust and reliability and our accounts have been audited to demonstrate our careful stewardship of donated funds.

We have revamped the Finance & investment committee so that we meet before the Board meeting. There is not much to report on in respect of finances. Our accounts will show that our invested funds have decreased in value due to the economic downturn this year for reasons outside of our control or influence. The accounts show that we have raised £480,805.00 income and spend £443,943.00 so that we have a surplus/ deficit of £32,445.00. We have grown our reserves to £70,140.00 and our bank balance and investment are £95,485.00

Post pandemic, Legacy WM has been needed to support the communities we serve with a variety of well-being initiatives. I congratulate the whole staff team for their determination, diligence, and adaptability. For the future, we plan to continue to grow through charitable donations and we intend to invest this money into our services which serve our diverse communities as best as possible.

Plans for the future – ambitious for our communities

We achieved our fund-raising goal of £500,00 and we anticipate an income in the region of £700,000 next year. The growth means that we have started to operate more as anchor organisation and through the work of flourish we have been able to support smaller grass roots organisation. However, the growth is not without its challenges as we are running out of office space. The Anglesey School care takers house is planned for completion next year and this will give us some additional capacity and scope to deliver more activities.

Our success with our existing funders has been exceptional as we have been awarded a four-year grant from the National Lottery Community Fund to continue our wellbeing work. We have also been successful in obtaining three-year funding from National Heritage Lottery Fund which will see us deliver a project called 'Every Journey Matters' and we will work with Handsworth Association of Schools to engage young people in heritage activities.

We are working with a host of businesses to explore how we can offer them an opportunity to support us as part of their Environmental, Social and Corporate Governance (ESG) profiles.

We are disappointed that our application to Arts Council England to become a National Portfolio Organisation (NPO) was unsuccessful. However, this has not dampened our spirits as we continue to develop our expertise in curating and delivering arts projects. The

installations of our external arts pieces along the canal route have been a steep learning curve and one that we aim to build on and apply for further funding.

Our plans to become a registered housing provider have been given a major boost with funding from the Oak Foundation over the next four years. We have continued to make progress with Church of England on developing St Michaels as a community hub and the related vicarage site as flats. This remains an ambitious project and will cost in the region of 5 million and it will take 3 to 5 years to deliver. We are working on the commissioning of the feasibility study which will give us an idea of what the site could potentially become.

Our work with Freedom 50 has been a trailblazer as it has engaged new people into cycling and is raising awareness of the climate challenges that we face. The final leg of our cycling tour will be held in Bangladesh in February. We will use this tour to galvanise our work on climate action and develop initiatives for people to act locally that has a global impact. The work on the Daily Mile in the parks and the arts installations gives us a wider reach and greater impact across the city. We remain ambitious for our communities and believe that by working in partnership with local organisations and stakeholders we can better serve our communities.

(Link to full annual report <https://www.legacy-wm.org/news/2023/01/legacy-annual-reports-21-22>)

Charity registration number 1180546

Company registration number CE015526 (England and Wales)

LEGACY WM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

LEGACY WM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Christopher Smith

Rooqia Malik

(Appointed 29 March 2022)

Winston Weir

(Appointed 14 December 2021)

Enam Rahman

Shaida Bibi

Alison Room

Shawkat Chowdhury

Gurpreet Bhatia

Jesse Gerald

Carol Lyndon

Gary Bowman

Charity number

1180546

Company number

CE015526

Registered office

Soho House

5 Soho Avenue

Handsworth

Birmingham

B18 5LB

Auditor

AGS Accountants & Business Advisors Limited

Unit 1

Castle Court 2

Castlegate Way

Dudley

DY1 4RH

LEGACY WM

CHAIRMAN'S AND TREASURER'S REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

Chair's Foreword

2022 has seen a return to normality for Legacy WM after the disruptions of the past two and half years. The charity has grown significantly over the past year, with new projects being developed alongside the core work of Legacy WM through the "Family Fit Forward" project, amongst others. I would like to congratulate and thank the CEO and staff team for their efforts, dedication and commitment over the past twelve months, which has seen ongoing significant impact on the community groups with which Legacy WM engages. 2023 is likely to see further growth for Legacy WM, with some exciting projects being explored and new partnerships established with other providers in the wider community.

I am stepping down as Chair of Legacy WM and from Legacy WM after a period of seven years as Chair and ten years as a trustee. My involvement with Legacy WM began when the charity was very small and largely a "one man band". It has been a fascinating and at times challenging experience, seeing Legacy WM grow over the past ten years and significantly expand its range of activities and impact on the community of East Handsworth and Lozells during that time. The work that I have personally valued the most during my time as Chair has been Legacy WM's engagement with groups within the community who are often neglected and who exist "under the radar". Enabling these groups to engage with diverse communities and have a voice has for me been a special part of Legacy WM's work.

I wish Legacy WM and all involved with the charity – trustees, the staff team, volunteers, community groups and partners linked with the charity the very best for the future. Legacy WM's journey so far has been an exciting one and I am confident that that journey is far from over.

Chris Smith
Chairman

Date: 10 March 2023

Treasurer's Report

I joined Legacy West Midlands in 2021, assuming the position of Treasurer vacated by Gary Bowman who did a fantastic job in an interim capacity. From a finance perspective, the charity has grown in strength and resilience. As with many organisations and individuals, we have all been challenged by inflation and rising interest rates. In spite of this, we have managed to grow our income base through grants and donations. We continue to generate trust and reliability, and our accounts have been audited to demonstrate our careful stewardship of donated funds. We have also revamped the Finance & Investment Committee, convening prior to each Board meeting.

Our accounts will show that our invested funds have decreased in value due to global economic disruption. The accounts show that we have raised £480,903 income and spent £448,458 so that we have a surplus of £32,445 in the year to October. We have grown our reserves to £240,785 and our investment account balance is £95,485 (as of December 2022).

Following the emergence of Covid-19, Legacy WM has been needed to support the communities we serve with a variety of wellbeing initiatives. I congratulate the whole staff team for their determination, diligence and adaptability. For the future, we plan to continue to grow through charitable donations and we intend to invest this money into our services which serve our diverse communities as effectively as possible.



Winston Weir
Treasurer

Date: 10 March 2023

LEGACY WM

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LEGACY WM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees, present their report with the financial statements of the charity for the year ended 31 October 2022. The trustees have adopted the provisions of 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).

The Trustees made the decision in 2018 to close Legacy WM (a registered charity) and form a charitable incorporated organisation (CIO) under the same name, being registered with the Charity Commission as a CIO on 5 November 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements, the Companies Act 2006 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

1) To advance the education for the public in:

- the social, economic and cultural history and heritage of the West Midlands Metropolitan region ("the Area") and the contribution made thereto by Asian, African, Caribbean and other immigrant communities;
- works of artistic merit in all their forms (including and not limited to visual, literary and performing arts) produced or performed in Area and in particular by members of or relating to the said communities.

2) To relieve the sickness, promote good health, provide social housing and/or care to, and advance the education and training of, people in need with a preference for those living in or having a link to the local community.

Significant activities

Established in 2010, Legacy WM is a CIO situated at the heart of the West Midlands Metropolitan region, providing health and wellbeing, and arts and heritage programmes to develop social cohesion. We work within marginalised communities, aiming to instil a deep sense of cultural pride and genuine connections between diverse groups, focusing on their needs, shared histories, and experiences. Beneficiaries from around age 5 to the elderly are engaged and consulted through co-design, monitoring and evaluation. Our heritage work has celebrated the relationship between local people with the industrial, architectural, and cultural fabric of the city, tracing migrant journeys and developing four heritage trails. Flagship community wellbeing provision Family Fit provides wellbeing activities for the whole family has been renewed with support for a third year of delivery. Our work with young people includes structured sports sessions and playschemes. Our arts programme will feature an arts trail along the canals connecting Birmingham city centre and Smethwick. Currently, we carry out a range of incisive and effective provisions to address social need and improve outcomes including interventions on vaccine uptake and celebrating the 2022 Commonwealth Games.

Public benefit

The charity is a public benefit entity and the trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charities aims and objectives.

Achievements and performance

Charitable activities

In the past year, despite the constraints of the pandemic and associated restrictions we have delivered Zumba, Yoga, Football, Cycling and Badminton sessions, alongside Health and Nutrition projects. We continue to facilitate the efforts of volunteers and have welcomed several of our Community Champions onto the team as paid staff, building skills and resilience in our communities.

This year we have encouraged local residents to receive coronavirus vaccine, supported the annual Nowka Bais event, begun work on a pioneering arts trail, lead community consultation on Housing 21 social housing for elders, delivered a national cycling tour, performing arts showcase and outdoor photography exhibition marking 50 years of Bangladeshi independence, led walking groups and have delivered wellbeing days, a residential trip and arts sessions in green spaces. This busy programme of activities keeps us engaged in the community, responding to emergent social need and helping individuals throughout their lives.

LEGACY WM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Financial review

Financial position

The board of trustees are satisfied with the performance of the charity during the period and the position at 31 October 2022 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

Overall, Legacy WM has raised funds totalling £480,903 with the expenditure for the period totalling £448,458 leaving the organisation with a surplus of £32,445. This leaves £240,785 in our funds to be carried forward at 31 October 2022.

Reserves policy

We generally operate a balanced budget within each financial year. In respect of reserves at the end of each financial year the aim is to build up to three months unrestricted reserves for operation running costs including salaries and statutory redundancies. It is anticipated that the reserves will be built up over the next three years and it will follow the principles below:

- 1) A breakdown of reserves at the end of financial year, with an indication of the status of these figures (e.g. audited/ draft management, etc.)
- 2) Any actual or currently planned transfers affecting reserves since that date; and a description of the purpose and current spending plans for each category of reserves where appropriate, cross referenced to published accounts
- 3) Committed Reserves - Funds that are allocated by an organisation from its retained resources for a specified purpose
- 4) Free Reserves - Retained resources that are available for general unspecified future purpose

Plans for future periods

This year we achieved our fundraising target and we anticipate continued growth next year, bolstering our sustainability. Through the Flourish healthcare network, we have acted as an anchor organisation ready to support grassroots provisions. The renovation of the Anglesey Primary School Caretaker's House is planned for completion next year and will give us additional capacity to deliver more activities.

Our success with existing funders has been exceptional as we have been awarded a four-year grant from the National Lottery Community Fund to continue our wellbeing work. We have also been successful in obtaining three year funding courtesy of the National Heritage Lottery Fund, which will help us deliver Every Journey Matters, working with Handsworth Association of Schools to engage young people in heritage. We are also working with a host of businesses to explore how we can offer them an opportunity to support us as part of their Environmental, Social and Corporate Governance (ESG) profiles.

We are disappointed that our application to Arts Council England to become a National Portfolio Organisation was unsuccessful. However, this has not dampened our spirits as we continue to develop our expertise in curating and delivering arts projects such as the Roundhouse to Chance Arts Trail. Our plans to become a registered housing provider has been given a major boost with funding from Oak Foundation over the next four years. We have continued to make progress with the Church of England on developing St Michael's Church as a community hub and the related vicarage site as flats over a period of several years.

Our trailblazing work with Freedom 50 has engaged new people in cycling and is raising awareness of the climate challenges that we face. The final leg of our cycling tour will be held in Bangladesh in February, supporting local initiatives.

LEGACY WM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

The rollout of Daily Mile routes in city parks and the arts installations gives us a wider reach and greater impact across wider Birmingham. We remain ambitious for our communities and believe that by working in partnership with local organisations and stakeholders we can better serve our communities.

Structure, governance and management

Governing document

Legacy WM became a registered charity on 15 April 2011 (Charity Registered Number 1141498).

On 5 November 2018 Legacy WM changed its charity status to a Charitable Incorporated Organisation (Charity Registered Number 1180546, Registered Company Number CE015526).

The Charity is controlled by its governing document, a deed of trust, and constitutes a Charity Incorporated Organisation.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Christopher Smith

Rooqia Malik

(Appointed 29 March 2022)

Winston Weir

(Appointed 14 December 2021)

Enam Rahman

Shaida Bibi

Alison Room

Shawkat Chowdhury

Gurpreet Bhatia

Jesse Gerald

Carol Lyndon

Gary Bowman

Recruitment and appointment of new trustees

Trustees are appointed by the existing trustees and serve for five years after which they may put themselves forward for re-appointment. The constitution provides for a minimum of three trustees to a maximum of nine trustees, with no more than three trustees due for re-appointment in any one year.

During the period we have recruited new members to our board which better reflects the Community which we serve.

Auditor

In accordance with the company's articles, a resolution proposing that AGS Accountants & Business Advisors Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees report, including the strategic report, was approved by the Board of Trustees.

Winston Weir

Treasurer

10 March 2023

LEGACY WM

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees, who are also the directors of Legacy WM for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

LEGACY WM

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEGACY WM

Opinion

We have audited the financial statements of Legacy WM (the 'charity') for the year ended 31 October 2022² which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2022 and of its incoming resources and application of resources, 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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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 charity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

LEGACY WM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEGACY WM

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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 either 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 financial statements

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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

LEGACY WM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF LEGACY WM

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Thomas Plimmer (Senior Statutory Auditor)
for and on behalf of AGS Accountants & Business Advisors
Limited

10 March 2023

Certified Accountants
Statutory Auditor

Unit 1
Castle Court 2
Castlegate Way
Dudley
DY1 4RH

AGS Accountants & Business Advisors Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

LEGACY WM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>						
Donations and legacies	2	19,753	461,052	480,805	5,214	302,419
Investments	3	98	-	98	410	410
Total income		19,851	461,052	480,903	5,624	302,829
<u>Expenditure on:</u>						
Charitable activities	4	-	443,943	443,943	1,777	349,519
Net gains/(losses) on investments	8	-	(4,515)	(4,515)	-	-
Net income/(expenditure) for the year/						
Net movement in funds		19,851	12,594	32,445	3,847	(46,690)
Fund balances at 1 November 2021		50,289	158,051	208,340	208,588	255,030
Fund balances at 31 October 2022		70,140	170,645	240,785	158,051	208,340

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.

LEGACY WM

BALANCE SHEET

AS AT 31 OCTOBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		54,895		14,657
Investments	10		95,485		50,000
			<u>150,380</u>		<u>64,657</u>
Current assets					
Debtors	11	669		-	
Cash at bank and in hand		247,867		159,162	
		<u>248,536</u>		<u>159,162</u>	
Creditors: amounts falling due within one year	12	(158,131)		(15,479)	
Net current assets			90,405		143,683
Total assets less current liabilities			<u>240,785</u>		<u>208,340</u>
Income funds					
Restricted funds			170,645		158,051
Unrestricted funds			70,140		50,289
			<u>240,785</u>		<u>208,340</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 10 March 2023



Winston Weir
Trustee

Company registration number CE015526

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

Charity information

Legacy WM is a charitable incorporated organisation incorporated in England and Wales. The registered office is Soho House, 5 Soho Avenue, Handsworth, Birmingham, B18 5LB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, 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 financial statements.

1.3 Charitable funds

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.4 Income

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

1.5 Expenditure

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% on cost
Motor vehicles	25% on cost

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

1.10 Taxation

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Grants and donations	19,753	461,052	480,805	5,214	297,205	302,419
	=====	=====	=====	=====	=====	=====

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

2 Donations and legacies

(Continued)

Grants receivable for core activities

Arts Council	-	28,000	28,000	-	35,000	35,000
Aston Villa Foundation	-	1,000	1,000	-	999	999
BBC Children In Need	-	40,388	40,388	-	9,888	9,888
BCHNT	-	65,000	65,000	-	-	-
Big Lottery Fund	-	86,472	86,472	-	164,618	164,618
Birmingham City Council	-	68,488	68,488	-	-	-
Birmingham City Council (Covid Recovery Programme)	-	-	-	-	6,435	6,435
Birmingham City Council (Arts)	-	-	-	-	14,599	14,599
Birmingham City Council (Health & Wellbeing)	-	-	-	-	4,924	4,924
Birmingham City University	-	-	-	-	438	438
Birmingham ORG Committee	-	10,962	10,962	-	-	-
Birmingham Voluntary Service Council	-	36,300	36,300	-	1,500	1,500
Donations	19,753	-	19,753	3,437	-	3,437
ESC Lottery Fund	-	-	-	-	5,379	5,379
Garfield Weston Foundation	-	30,000	30,000	-	6,500	6,500
Grants - JRS	-	-	-	1,777	-	1,777
Heart of England	-	4,042	4,042	-	-	-
Heritage Lottery Fund (Heritage Officer)	-	-	-	-	12,210	12,210
Historic England	-	10,500	10,500	-	-	-
Housing 21	-	11,000	11,000	-	11,675	11,675
Jewellery Quarter Development Trust	-	900	900	-	-	-
Living Well UK	-	-	-	-	440	440
Oak Foundation International Ltd	-	7,000	7,000	-	-	-
PCC for West Midlands	-	-	-	-	16,000	16,000
Saintbury Trust	-	3,000	3,000	-	-	-
SWBH (NHS health project)	-	-	-	-	6,000	6,000
The Active Wellbeing Society	-	10,000	10,000	-	-	-
The Clothworkers Foundation	-	15,000	15,000	-	-	-
The Mason Foundation	-	8,000	8,000	-	-	-
The Rowlands Trust	-	5,000	5,000	-	-	-
Tudor Trust	-	20,000	20,000	-	-	-
WMP - Football League	-	-	-	-	600	600
	19,753	461,052	480,805	5,214	297,205	302,419

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	98	410

4 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2022	2021
	£	£
Depreciation and Impairment	14,161	5,074
Marketing	2,195	2,010
Gross Wages and Salaries	215,501	167,717
Pensions	5,823	3,835
Project - Arts Trail	24,510	-
Project - Caretakers House	-	6,161
Project - Flourish	3,441	-
Project - Housing	-	10,530
Project - Industrial Heritage Stronghold - Sculpture	24,000	-
Project - LWM 12 Years Anni Event	17,699	-
Project Delivery Costs	59,132	61,021
Project - Cycling	2,240	19,297
Project Freedom 50	12,281	4,049
Project - Nowka Bais	-	20,532
Project - Wellbeing	6,831	5,562
Sessional Workers	2,652	1,625
Travel & Subsistence	2,891	4,924
	393,357	312,337
Share of support costs (see note 5)	37,790	29,447
Share of governance costs (see note 5)	12,796	7,735
	443,943	349,519
Analysis by fund		
Unrestricted funds	-	1,777
Restricted funds	443,943	347,742

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

5 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Bank Charges	(4)	-	(4)	(21)	-	(21)
Consultancy Fees	7,624	-	7,624	8,316	-	8,316
Equipment Expensed	1,271	-	1,271	518	-	518
Insurance	2,233	-	2,233	824	-	824
Motor Expenses	507	-	507	-	-	-
Office Cost	513	-	513	2,347	-	2,347
Printing/Publishing	1,468	-	1,468	682	-	682
Rent	10,500	-	10,500	7,855	-	7,855
Software	3,786	-	3,786	2,275	-	2,275
Staff Training & Welfare	2,780	-	2,780	599	-	599
Stationery & Printing	25	-	25	-	-	-
Subscriptions	67	-	67	509	-	509
Sundry	-	-	-	33	-	33
Temps and Recruitment	147	-	147	74	-	74
Venue Hire	6,690	-	6,690	4,549	-	4,549
Volunteers Expense	183	-	183	887	-	887
Accountancy Fees	-	1,650	1,650	-	1,650	1,650
Audit Fees	-	6,000	6,000	-	-	-
Legal and Professional	-	5,146	5,146	-	6,085	6,085
	<u>37,790</u>	<u>12,796</u>	<u>50,586</u>	<u>29,447</u>	<u>7,735</u>	<u>37,182</u>
Analysed between						
Charitable activities	<u>37,790</u>	<u>12,796</u>	<u>50,586</u>	<u>29,447</u>	<u>7,735</u>	<u>37,182</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

2022	2021
Number	Number
11	11
<u>11</u>	<u>11</u>

There were no employees whose annual remuneration was more than £60,000.

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

8 Net gains/(losses) on investments

	Restricted funds	Total
	2022	2021
	£	£
Gain/(loss) on sale of investments	(4,515)	-

9 Tangible fixed assets

	Plant and Motor vehicles equipment		Total
	£	£	£
Cost			
At 1 November 2021	25,483	-	25,483
Additions	243	54,156	54,399
At 31 October 2022	25,726	54,156	79,882
Depreciation and impairment			
At 1 November 2021	10,826	-	10,826
Depreciation charged in the year	5,135	9,026	14,161
At 31 October 2022	15,961	9,026	24,987
Carrying amount			
At 31 October 2022	9,765	45,130	54,895
At 31 October 2021	14,657	-	14,657

10 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 November 2021	50,000
Additions	50,000
Gain/(loss) on valuation of investments	(4,515)
At 31 October 2022	95,485
Carrying amount	
At 31 October 2022	95,485
At 31 October 2021	50,000

LEGACY WM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

10 Fixed asset investments

(Continued)

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	669	-

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	6,451	2,934
Trade creditors	-	72
Other creditors	151,680	12,473
	158,131	15,479

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 October 2022 are represented by:						
Tangible assets	-	54,895	54,895	-	14,657	14,657
Investments	95,485	-	95,485	-	50,000	50,000
Current assets/(liabilities)	70,140	20,265	90,405	50,289	93,394	143,683
	165,625	75,160	240,785	50,289	158,051	208,340

14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

PRIVATE AND CONFIDENTIAL

Legacy WM
Soho House
5 Soho Avenue
Handsworth
Birmingham
B18 5LB

Our ref: TP/L175

Date: 10 March 2023

Dear Sirs,

REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 October 2022, a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Ethical Standards for Auditors and all threats to our independence, as identified to you in our letter of engagement dated 10 January 2023, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the trustees of Legacy WM and must not be shown to third parties without our prior consent. No responsibilities are accepted by AGS Accountants and Business Advisors Limited towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the charity's staff who assisted us in carrying out our work.

Yours faithfully

AGS

AGS Accountants & Business Advisors Ltd

Registered office:
Castle Court 2,
Castlegate Way,
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Registered auditors
Company No. 5155857



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SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 31 OCTOBER 2022

Audit approach

There were no changes to our audit approach as set out to you in our letter of engagement dated 10 January 2023.

Summary of significant audit findings

Areas where issues were identified during the audit	Findings and recommendations	Management response
The financial statements should be prepared on an accruals basis, in compliance with the SORP	The Charity commission require charities with a charitable income in excess of £250,000 to have financial statements prepared on an accruals basis rather than a cash basis. The bank records are the base of the charity's accounting records and some reserves such as a PAYE creditor have been included. Including income and cost reserves on top of the bank records in the financial statements creates the accruals basis. Some reserves have been omitted such as expenditure incurred during the year but paid for after the year end. For the 2022 audit, missing reserves have been included on the schedule of unadjusted errors as they are immaterial to the financial statements overall.	
Grant documentation was retained in an adhoc way i.e., as retained emails.	Grant information was difficult to obtain with some remittances/contracts not been available. Grant document should be retained in a standardised way to ensure it can be located when necessary.	
Omitted holiday pay accrual	Employees holiday periods run annually in line with their contracts. This means there will be a holiday pay liability at the charity's year end as the periods do not much. A holiday pay accrual should be included going forward to ensure wages costs are	

	correctly apportioned to the period they are incurred.	
Underpayment of PAYE to HMRC	A revised EPS submission should be made the HMRC to inform them of underpaid PAYE and NI of £2,147 from June 2022 in relation to additional payments to employees as a cost of living adjustment. The amount should also be paid to HMRC as soon as possible.	
Salary sacrifice pension contributions for Aftab, Apsana and Dawn are not being paid over in a timely manner, contrary to pension regulations	At the year end there is a pension creditor relating to the salary sacrifice pension arrangements of £16,445. This balance has accumulated over a number of years and appears to have occurred due to the direct debit with the pension companies not being kept up to date when contributions increase etc. It also appears that only the employees pension contribution is being paid to the pension companies rather than the total of the employees and employers pension contributions per the payroll reports. The underpayments and future payments should be corrected as soon as possible.	
Date of the AGM	The charity should arrange for the annual AGM to be slightly later in the year to allow sufficient time for the accounts to be prepared and the audit completed before the accounts are presented at the AGM.	

Internal controls

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses and the matters reported below are limited to those deficiencies that we have identified during the audit.

Control weakness identified	Potential implications and recommendations	Management response
Bookkeeping records	The bookkeeping is currently maintained manually using an excel spreadsheet which records payments and receipts. There is a higher risk of human error when processing records in this way such as transactions may be mis-allocated. We recommend moving over to a suitable accounting software which has features such as automatic bank feeds in order to reduce the risk of transactions being entered incorrectly.	
No evidence found of expenses claims being authorised before payment	Expense sheets sampled had not been signed by a responsible individual prior to payment. Expenses claims should be approved prior to payment to ensure that the claims are legitimate.	

Summary of audit differences and draft letter of representation

Attached is a schedule of all of the unadjusted misstatements noted during our work. We would be grateful if you could review these and confirm that you are satisfied that none of these need to be adjusted for in the financial statements.

We have also attached a draft letter of management representations required in connection with our audit.

Outstanding matters

Prior to issuing our audit report we require:

- the signed letter of representation;

Anticipated audit report

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved the matters outlined in this report.