

Registration

Charity Registration No. 1067329

Company Registration No. 3258337 (England and Wales)

**SOUTH WEST BIRMINGHAM COMMUNITY  
ASSOCIATION**

**DIRECTORS' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2005**

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# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Directors**

Sir R Knowles  
Alderman S Banting  
J Bonney  
J Fellows  
A Ross  
Rev C Mansley  
Cllr G Green  
J Drinkwater  
A Goldman  
T Field  
J McKernan  
M Jastrzebski  
Cllr K Barton

### **Secretary**

P Fletcher-Kaye

### **Charity number**

1067329

### **Company number**

3258337

### **Registered office**

Hollymoor Centre  
Manor Park Road  
Northfield  
Birmingham  
B31 5ER

### **Auditors**

CK Audit  
Dartmouth House  
Sandwell Road  
West Bromwich  
B70 8TH  
West Midlands

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# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

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# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005**

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The directors present their report and financial statements for the year ended 31 March 2005.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Association's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

### **Objects of the charity**

The Association is a registered charity and a company limited by guarantee. The Association's objects are ;

-to advance the education and training of the inhabitants of Birmingham to enable their conditions of life to be improved

-to provide or assist in the provision of recreational facilities for the inhabitants of Birmingham who by reason of their youth, age, infirmity, disability, poverty or social and economic circumstances have a need for such facilities and with the object of improving their conditions of life

-the promotion of any charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty and for these purposes (but without prejudice to the generality of the foregoing) to provide advice, assistance and consultancy services to individuals, charities and communities in necessitous circumstances

### **Organisation**

A Board of Directors, currently Chaired by Sir Richard Knowles, runs the Association. The majority of the Board consists of 12 Directors drawn from the Association's membership, which is made up of organisations and individuals based in the area. Birmingham City Council appoints two members to the Board which is also able to co-opt members to provide specific skill and experience.

The Directors meet about 6 times a year and are responsible for the development of the Association's strategy, making sure it has enough money to carry out its activities and achieve its charitable objectives.

The Association has a very small staff team comprising two Development Officers, Administrator and some clerical support. The Association would welcome any volunteers who wish to join the membership or the board of directors.

### **Review of activities**

The Association is responsible for the development of community-based activities in an area that takes in the Northfield and Edgbaston Parliamentary constituencies although its main focus is in the area that was originally covered by the West Northfield Devolution Pilot. The Association is trying to establish itself as an active partner in the economic, social and cultural life of the area. It wishes to promote the involvement of local voluntary and community organisations in some of the new decision making structures that are developing at a local level such as the Northfield Constituency Committee.

From its base in the Hollymoor Centre, the SWBCA works in partnership with other voluntary and community organisations in the area, with the City Council, Learning and Skills Council, Bournville College, Birmingham Community Empowerment Network, St Bartholomew's Church and others. It produces a newsletter, which is delivered locally, runs regular Community Lunches and undertakes project activity designed to promote and build voluntary and community action in the local area. Until September, The Association managed the use of the Old Chapel and a seminar room at The Hollymoor Center for community events and activity.

# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005**

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### **Review of activities (continued)**

A number of other local organisations are also based at Hollymoor including Longbridge Advice and Resource Centre (LARC) and the Longbridge Child Care Strategy Group.

The Association has received funding from Birmingham City Council (Neighbourhood Renewal Fund Longbridge ward), Birmingham Community Empowerment Network, the Learning and Skills Council and Awards for All.

### **Directors**

The Directors, who are also the directors for the purpose of company law, who served during the year were:

Sir R Knowles	
Cllr L Lawrence	(Resigned December 2004)
Cllr J Drinkwater	
Cllr K Barton	(Appointed December 2004)
Alderman S Banting	
J Bonney	
J Fellows	
Rev D James	(Resigned December 2004)
Rev C Mansley	
R James	(Resigned August 2004)
A Ross	
P Roche	(Resigned November 2004)
T Field	
J McKernan	
A Goldman	
Cllr G Green	(Resigned March 2005)
Cllr S Bedser	(Resigned October 2004)
M Jastrzebski	(appointed March 2005)

J Slowey resigned as Company Secretary in February 2005. Patricia Fletcher Kaye was appointed in her place.

### **Review of financial position**

The directors consider the financial position at the balance sheet date to be satisfactory.

The directors continue to seek funds from other sources and remain confident that the Association will have sufficient funds to continue to fulfill its objectives and meet its obligations

### **Reserves policy**

It is the policy of the Association that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Association's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **Risk factors**

The directors are aware of the need to assess the major risks to which the Association is exposed and to satisfy themselves that systems are in place to mitigate exposure to the major risks.

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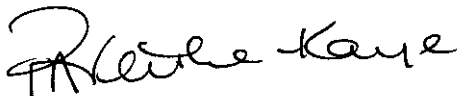
# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005**

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### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that CK Audit be reappointed as auditors of the company will be put to the Annual General Meeting.



**P Fletcher-Kaye**

Secretary

Dated: 23 January 2006

# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION**

We have audited the financial statements of South West Birmingham Community Association on pages 6 to 10 for the year ended 31 March 2005. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and auditors**

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its incoming and outgoing resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**CK Audit**  
Chartered Accountants  
Registered Auditor

Dated: 23 January 2006

Dartmouth House  
Sandwell Road  
West Bromwich  
West Midlands  
B70 8TH



# SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
<b><u>Incoming resources</u></b>					
Grants received		-	99,131	99,131	48,388
Activities in furtherance of the charity's objectives	2	9,756	-	9,756	27,495
Activities for generating funds		2,347	-	2,347	5,910
Investment income		1,482	-	1,482	1,165
<b>Total incoming resources</b>		<b>13,585</b>	<b>99,131</b>	<b>112,716</b>	<b>82,958</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Trading costs		7,378	-	7,378	25,581
Fundraising and publicity costs		-	-	-	4,311
<b>Charitable expenditure</b>					
Direct expenditure		890	58,812	59,702	45,396
Support costs		15,502	27,469	42,971	9,815
Management and administration		32,238	-	32,238	30,731
<b>Total resources expended</b>	3	<b>56,008</b>	<b>86,281</b>	<b>142,289</b>	<b>115,834</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(42,423)</b>	<b>12,850</b>	<b>(29,573)</b>	<b>(23,061)</b>
Transfers between funds		(3,321)	3,321	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(45,744)</b>	<b>16,171</b>	<b>(29,573)</b>	<b>(23,061)</b>
Fund balances at 1 April 2004		96,181	5,659	101,840	124,901
<b>Fund balances at 31 March 2005</b>		<b>50,437</b>	<b>21,830</b>	<b>72,267</b>	<b>101,840</b>

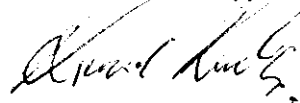
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

# SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION

## BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Tangible assets			1,688		1,146
<b>Current assets</b>					
Debtors	5	104,214		111,116	
Cash at bank and in hand		57,052		84,185	
		.....		.....	
		161,266		195,301	
<b>Creditors: amounts falling due within one year</b>	6	(90,687)		(94,607)	
		.....		.....	
<b>Net current assets</b>			70,579		100,694
			.....		.....
<b>Total assets less current liabilities</b>			72,267		101,840
			.....		.....
<b>Income funds</b>					
Restricted funds	7	21,830		5,659	
Unrestricted funds		50,437		96,181	
		.....		.....	
		72,267		101,840	
		.....		.....	

The accounts were approved by the Board on 23 January 2006



Sir R Knowles  
Director

# SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts are prepared under the historical cost convention, and in accordance with the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

The Association has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Association.

Plant and machinery	20% straight line
Fixtures, fittings & equipment	25% to 33.33%, reducing balance and straight line

#### 1.2 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### 2 Activities in furtherance of the charity's objectives

	2005 £	2004 £
Room bookings	9,756	15,896
Diner sales	-	10,179
Service charges rechargeable	-	1,420
	<u>9,756</u>	<u>27,495</u>

### 3 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2005 £	Total 2004 £
<b>Costs of generating funds:</b>					
Trading costs	-	-	7,378	7,378	25,581
Fundraising and publicity	-	-	-	-	4,311
<b>Charitable expenditure:</b>					
Direct expenditure	13,050	-	46,652	59,702	45,396
Support costs	34,224	962	7,785	42,971	9,815
Management and administration	18,622	526	13,090	32,238	30,731
	<u>65,896</u>	<u>1,488</u>	<u>62,802</u>	<u>142,289</u>	<u>115,834</u>

Management and administration costs includes payments to the auditors of £1,750 (2004- £3,000) for audit fees and £1,000 (2004- £10,125) for other services.

# SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 4 Employees

#### Number of employees

The average monthly number of employees during the year was:

2005 Number	2004 Number
4	4

#### Employment costs

	2005 £	2004 £
Wages and salaries	61,306	44,670
Social security costs	4,590	3,870
Other pension costs	-	2,819
	<u>65,896</u>	<u>51,359</u>

### 5 Debtors

	2005 £	2004 £
Trade debtors	<u>104,214</u>	<u>111,116</u>

Trade debtors includes a balance due from CSV Media Limited of £91,249.76. This debt is disputed by CSV Media and the Board are taking advice about action to collect the debt. An amount of £81,088.97 due to CSV Media Limited is included in trade creditors and will be retained pending settlement. Although the Board believe the balance from CSV Media to be fully collectible it has been considered prudent to make a provision of £10,160.79 in respect of the difference between the debtor and creditor noted above.

### 6 Creditors: amounts falling due within one year

	2005 £	2004 £
Trade creditors	86,973	89,639
Taxes and social security costs	-	1,254
Other creditors	705	705
Accruals	3,009	3,009
	<u>90,687</u>	<u>94,607</u>

# SOUTH WEST BIRMINGHAM COMMUNITY ASSOCIATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

### 7 Restricted funds

	Balance at 1 April 2004	Movement in funds			Balance at 31 March 2005
	£	Income	Expenditure	Transfers	£
Community Lunch	1,688	5,000	(707)	-	5,981
LSC Development Agency	(215)	30,000	(29,785)	-	-
Longbridge Newsletter	(434)	21,839	(21,405)	-	-
Awards for all	4,620	-	(4,620)	-	-
Longbridge NRF	-	10,000	(8,500)	-	1,500
BCEN	-	23,442	(12,830)	-	10,612
RTCC	-	8,850	(8,434)	-	416
LILA	-	-	-	3,321	3,321
	<u>5,659</u>	<u>99,131</u>	<u>(86,281)</u>	<u>3,321</u>	<u>21,830</u>

LILA has been re classified as a restricted fund

### 8 Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total £
Fund balances at 31 March 2005 are represented by:			
Tangible fixed assets	1,688	-	1,688
Current assets	139,436	21,830	161,266
Creditors: amounts falling due within one year	(90,687)	-	(90,687)
	<u>50,437</u>	<u>21,830</u>	<u>72,267</u>