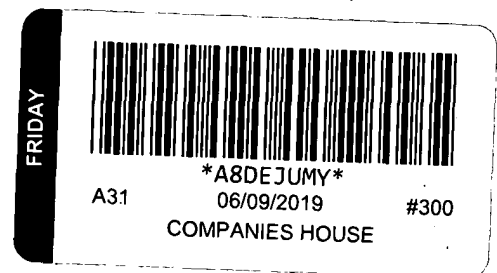


REGISTERED COMPANY NUMBER: 04370289  
REGISTERED CHARITY NUMBER: 1093838

**Report of the Trustees and  
Consolidated Financial Statements for the year ended 31st August 2018  
for  
THE VINE TRUST WALSALL AND SUBSIDIARIES**



Bakers, Registered Auditors  
(The practising name of  
Baker (Midlands) Limited)  
Arbor House  
Broadway North  
Walsall  
West Midlands  
WS1 2AN

**Contents of the Consolidated Financial Statements  
for the year ended 31st August 2018**

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**THE VINE TRUST WALSALL AND SUBSIDIARIES (REGISTERED NUMBER 4370289)**

**Charity Reference and Administrative Details**  
**Year ended 31st August 2018**

**Incorporation** 8<sup>th</sup> February 2002

**Charity registration number** 1093838

**Company registration number** 04370289

**Directors** M.A. Harland  
P.B.J. Powell  
J.R. Tipper  
J.P. Sargent  
D. Lomax  
L.A. Attwood  
J.A. Reid

**Chief executive officer & Company secretary** K.R. Davis

**Registered Office** 33 Lower Hall Lane  
Walsall  
West Midlands  
WS1 1RR

**Auditors** Bakers, Registered Auditors  
(The practising name of Baker  
(Midlands) Limited)  
Arbor House  
Broadway North  
Walsall  
WS1 2AN

**Trustees' Annual Report**  
**Year ended 31st August 2018**

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their report and the audited financial statements of the charity for the year ended 31<sup>st</sup> August 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

**Trustees of the charity**

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

M.A. Harland  
P.B.J. Powell  
J.R. Tipper  
J.P. Sargent  
D. Lomax  
L.A. Attwood  
J.A. Reid

**Objectives and activities**

**Vine Trust Group Vision**

*'Our work with young people will be a catalyst for Christ centred community transformation'*

**Vine Trust Group Mission**

*'Preparing young people for life and godliness'*

**Values**

- 1. We are entrepreneurial - Apostolic**
- 2. We are nurturing - Pastoral**
- 3. We are advocating - Evangelistic**
- 4. We are understanding - Teaching**
- 5. We are visionary - Prophetic**

**Objectives**

*'To advance the Christian religion among women and young people of either sex'*

*'To advance their education'*

*'To relieve their poverty'*

*'To provide facilities for recreational and other leisure time occupation for the said persons irrespective of ethnic origin, gender or religious belief, in the interests of social welfare and with the object of improving their conditions of life'*

**Trustees' Annual Report  
Year ended 31st August 2018**

**Operations**

1. Empowerment – The aim is that our work with young people can be a catalyst for community transformation;
2. Education - To promote a learning culture via the development of a wider range of learning opportunities and training programmes, which will equip young people with confidence, aspirations, skills and the qualifications required to reach their goals and sustain employment;
3. Engagement – To engage all young people in positive activities which will enable them to participate and be respected as responsible citizens in the community offering them access to specialist information, advice and guidance.
4. Employment – To work with partners to provide programmes which will prepare and support young people for the world of work.
5. Enterprise – To model sustainability by growing market share, and developing new services and products, to increase the Trust's economic value and impact within the community.

For such other charitable purposes according to the laws of England and Wales in such parts of the United Kingdom or the world as the directors in their absolute discretion may from time to time decide.

**History**

The Parent was conceived in 1989 as a direct result of the farsighted vision of local churches. Their conception was based around their concern that the system had failed to deal adequately for an increasing number of the youth of Walsall, who were seen as a burden to society in general. They purchased the derelict Vine Inn, to be a positive base for young people. The 'Vine Trust' was born. The Christian ethos is the foundation of the Vine Trust, and is the motivation in providing young people with the necessary education, training and practical skills leading to permanent employment and fulfilling lives.

**Trustees' Annual Report**  
**Year ended 31st August 2018**

**Public benefit statement**

The Trustees have paid due regard to the Charity Commission's guidance on public benefit when examining their aims, objectives and future plans of the organisation.

*Principle 1.a. What are the benefits?*

The identifiable benefit or benefits are recognised from the quantifiable improvements we have made in the situations and opportunities for young people classed as hard to engage, and the challenging of negative attitudes in the communities in which they live.

*Principle 1.b. The Benefits as related to our aims*

**Outcomes**

- Young people can be a catalyst for community transformation
- Young people outside traditional school can reach their full academic and vocational potential
- Every young person can be employed without impediment
- Every young person in our sphere of influence will be able to make informed decisions for work, training lifestyle and faith

*Principle 1.c. Ensuring our work delivers our aims*

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at each of the key areas of work and the benefits to the young people we have set out to help. The review also helps us ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing our aims and activities and planning our future activities, and are satisfied our activities pose no detriment or harm (Principle 1c)

*Principle 2. Who used and benefitted from our services*

Benefit to the public.

We have supported a significant group of young people who have performed poorly at school, having high exclusion rates and consequently lack social skills complicated by anti-social behaviour.

We have facilitated the creation of jobs and work experience for 'harder to employ' young people.

Young people applying to Walsall Studio School, students come from within a 5 miles radius of Walsall Town Centre.

The Vine Trust works alongside these young people offering education, support, counselling, positive activities and work skills programmes, with the aim to get them back into mainstream education, at schools or colleges or into further training and work.

**Trustees' Annual Report**  
**Year ended 31st August 2018**

**STRATEGIC REPORT**

During 2017/18 The Vine Trust has sought to respond to the needs of young people, by 'preparing them for life and godliness'. From initiatives to re-**Engagement** (drop-in facilities, advice and guidance) to **Education**, (Studio School and the new Mercian Trust) to a range of social **Enterprises** (restaurants, events, workspace letting) and employer awareness initiatives, to transform **Employment** for Young People. The Group have sought to **Empower** its communities to make it suitable for young people, through the themes of **Live, Work, Play, Learn, and Worship**.

In view of the performance of the subsidiary/ partner operations, and the approaching 30<sup>th</sup> anniversary this year, the CEO, initiated a comprehensive review of the performance and future direction of the Charity.

**Achievements and performance**

**Employment**

P390

P390 is in its 3rd year as a standalone business this year, this apprenticeship partnership with Ikea has been delivered to IKEA in Birmingham, Cardiff, Nottingham and Dublin stores, engaging, training and employing young people. The scheme featured in Ikea's annual sustainability report, and was the process of moving into their new Reading store. Unfortunately the retail firm, throughout this period took a strategic decision to not renew the scheme in its stores, making the social enterprise unsustainable. Having invested significantly into P390, the Vine Trust were not in a position to refinance it, forcing it to enter into a voluntary CVA. The Charity worked successfully with P390, and IKEA to ensure no job losses. This drew to an end, the 10 year relationship the Charity had with IKEA, and despite losing its investment, the Charity was proud that it had trailed a model, creating hundreds of jobs and work experience for harder to employ young people.

The Ladder apprenticeship campaigns

Following the announcement at St James' Palace Ladder celebration in 2016, the charity has been working to extend the newspaper campaigns to new regions beyond the previous London, Black Country, Staffordshire, and Shropshire initiatives.

Ladder for Greater Birmingham and Solihull has been launched, with our media partners Reach (formally Trinity Mirror), Performance Through People, and the Greater Birmingham and Solihull LEP, the media group have also opened up the opportunity for placements with regional titles nationally.

**Enterprise**

Vines Catering

Having extensive support from the charity, the stand-alone business having developed Vines Walsall restaurant, and two further outlets, in the Goldmine Centre (serving the tenants, and conference/events bookings), and one in a very competitive High Street operation in Stourbridge.

The Walsall and Stourbridge outlets operation had required additional investment and extended rent relief from the Vine Trust, and partners, in particularly the Stourbridge operation which has operated in a competitive, and challenging market.

Despite the efforts of the new Catering Director, and following another year of poor trading, the charity worked with Vines Catering to enter into a CVA. , The Charity took the decision to hand the Stourbridge operation to co-investor Living Springs, and the charity absorbed the Goldmine and Vines Walsall operation.

**Trustees' Annual Report  
Year ended 31st August 2018**

**Vine Workspaces**

33 Lower Hall Lane

Following the closing of its independent Second Chances School, in favour of the pursuit of a mainstream funded Alternative Provision School, the space in which they were occupying had been let to Walsall Studio School, to accommodate their 6<sup>th</sup> form. The initial 2 year let has been extended, whilst the Trust supports the school's efforts to get a longer term accommodation solution.

The charity operates a restaurant in the remaining space.

Goldmine Centre

The Centre has operated, still with its substantive tenants Walsall Studio School, and Walsall Community Church. The centre suffered a material loss in vacant letting, with the takeover of Big Centre TV, by Made in Birmingham, who then moved their operations to the city Centre. Walsall Studio School, and its government backers let the vacant space to the school. The Charity have further negotiated with the ESFA, to purchase the centre for the Studio School, committing to further investment to extend the centre.

**Vine Support services**

The department continues to operate at an 'at cost' HR, finance, and property support services to all Vine Trust, subsidiary / partner operations, and other charities.

**Education**

Walsall Studio School

The school had over 260 students on roll in September 2017 who had previously studied in over 40 different secondary schools. Y10 and Y11 were oversubscribed with a waiting list. The KS4 cohort consisted of students with a wide range of abilities, however many of them had failed to make expected progress from their KS2 primary school SATS results to the end of their KS3 study at their previous secondary school. In the sixth form around one third of students joined the studio school after changing their minds about their original post-16 choice.

The school was judged to be good in its first full Ofsted inspection in April 2015 with some outstanding features. The next Ofsted is envisaged in the next period.

The Ladder school

Following the strategic decision to close the independent Second Chances School, in favour for a bid for a more sustainable, directly funded Alternative Provision free school, the Studio School had also been successful in securing in pre-opening phase of the Ladder School. Working with the DFE and ESFA the school is working towards opening the School in September 2018.

Mercian Trust

The charity had successfully concluded negotiations with the Queen Mary Foundation for the creation of the joint venture of the Mercian Trust, a Multi Academy Trust. Formally operating on the 1<sup>st</sup> January 2018, in addition to seeding in their schools, (Walsall Studio School, Queen Mary's Grammar / High School). Two other academies, Aldridge, and Shire Oak in the borough of Walsall were absorbed into the MAT.

The Vine Trust Walsall is a Member of the Trust, a co-owner alongside the Queen Mary's foundation, sending 2 members out of the 5 seats. This membership, will feature in future accounts of the Vine Trust Walsall.



**Trustees' Annual Report  
Year ended 31st August 2018**

The Vine Trust, and The Foundation, jointly approved the make-up of the board of Directors / Trustees, which initially will be formed by the chairs of the respective schools governing bodies.

The intellectual property of the Ladder School, all the assets / staff and liabilities of Walsall Studio School, have been novated into the Mercian Trust, and the existing Walsall Studio School company will be wound up when all practical transitions have been completed.

**Engagement**

The personal coaches services, as run by Vine Access Centres, have continued to support Walsall Studio School, in engaging with students, struggling with academic and home life.

With the novation of Walsall Studio School into the Mercian Trust, the Charity took the decision to transfer the coaching staff into the Mercian Trust.

**Reserves Policy**

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be where possible be approximately 3 months of the expenditure. The Trustees have decided that the proceeds of sale of the Goldmine Centre, would be used to underpin this policy.

The purpose of the reserve is:

- To keep sufficient in general reserves to cover approximately 13 weeks expenditure
- To capitalise on opportunities and future needs.
- To meet substantial redundancy costs in the event of the winding up of the Charity
- Support with Cashflow challenges.

The reserves where possible are needed to meet the working capital requirements of the charity and the Trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding. The present level of reserves available to the charity falls significantly short of this target level. Although the strategy is to continue to build reserves through planned operating surpluses, the Trustees are well aware that it unlikely that the target range can be reached for at least three years. In the short term the Trustees has also considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

The reserves policy is to be reviewed annually at the Annual General Meeting prior to the publication of the annual report.

**Trustees' Annual Report  
Year ended 31st August 2018**

**Plans for future periods**

The Charity's strategic review is titled Vine 30 - The Economy of Together

**Live-** We will continue to work to create supported Live/ work spaces in the St Matthew's Quarter in and around Goldmine Centre and beyond, supporting the needs of businesses which can demonstrate social, economic or environmental benefits to young people.

**Work-** We will continue the partnership with employers and HRH the Duke of York, and regional newspapers to expand the Ladder campaign, creating more apprentices for our region and beyond. The Ladder aims to be "one-stop shop for all apprenticeships".

**Play –** We will continue to make the Goldmine facility a leading performing arts and conference venue, working with partners to obtain funding to extend the Centre.

**Learn –** Through it's membership oversight of the Mercian Multi Academy Trust, the Vine Trust Group will continue to work to offer educational pathways for children in Walsall whatever their abilities or interests. The Trust's vision is to expand across the whole education piece. The Alternative Provision Free School (The Ladder School) under the auspices of The Mercian Trust is due to be open in the Autumn term of 2018

**Worship –** All the Vine's work is motivated by its Christian Faith, and our "Worship" theme will continue to support the hosting of activities like Street Pastors, in the Goldmine Centre, Love Walsall and the housing of Walsall Community Church.

**Structure, governance and management**

Vine Trust Walsall is the 'parent' or controlling member of a group of charitable companies trading overall as the Vine Trust Group. The Group board of Trustee Directors consists of directors of the subsidiary boards as well as independent Vine Trust Walsall members. Members are responsible individually and collectively for overseeing the conduct and affairs of the charity, and for supervising Group management, to whom the Board had delegated certain authority for the day-to-day conduct of the charity.

They are also responsible for:

- Strategic Planning Process
- Operating Planning
- Monitoring Senior Management
- Monitoring the Effectiveness of the Board and its Committees
- Setting and Monitoring the Effectiveness of Corporate Policies
- Managing Risk
- The Integrity of Corporate Internal Control and Management
- Overseeing Information Systems
- Overseeing Communications Policy

**Trustees' Annual Report**  
**Year ended 31st August 2018**

**Sub-Committees**

The sub-committees have powers delegated to them by the board of trustee directors. Members of the committees may be co-opted from outside the board and include non-executive advisers with particular expertise. There are divided into key operational areas:

- Personnel and performance
- Finance
- Buildings and Health & Safety

**Subsidiary Boards**

Vine Access Centres  
Vine Education Trust  
Walsall Studio School  
Vine Social Enterprises  
Vines Catering  
P390

**Partner Board**

Mercian Trust

**Chief Executive Officer**

The office of the Group Chief Executive (CEO) is the senior officer of the Group Trust and has delegated powers from the board of Trustee Directors, to manage the strategic and operation

The charity is controlled by its governing document, a deed of trust and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985. It operates as an innovative faith inspired Charitable company, working to support and elevate the lives of 'hard to reach' young people (13-25 year olds).

**Trustees Responsibilities**

The Trustees (who are also directors of Vine Trust Walsall for the purposes of company law) are responsible for preparing the Trustees' Annual Report and 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 (FRS 102)
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**Trustees' Annual Report**  
**Year ended 31st August 2018**

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

On an annual basis the trustees actively review risk in terms of the following areas:

- governance and management, operational, finance, environmental and external risk, and legal regulation compliance

This information is then used to develop a risk management strategy for the organisation, including the identification of existing controls in operation and any new controls the trustees consider necessary.

The current risk management strategy forms part of a planning process, against which the trustees review progress formally every six months within the context of a four year strategic business plan.

The trustees are satisfied that adequate systems and procedures are in operation to mitigate against the major risks faced by the charity should any of these risks materialise.

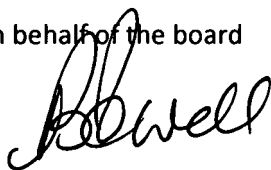
**Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above confirm, so far as we are aware, that:

- there is no relevant information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any audit information and to establish that the charitable company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board



P B Powell  
Chairman

Date.....20.8.19.....

**Independent Auditor's Report to the Members and Trustees**  
**Year ended 31st August 2018**

**Opinion**

We have audited the financial statements of Vine Trust Walsall and its subsidiaries for the year ended 31<sup>st</sup> August 2018 which comprise of the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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 group's and parent charitable company's affairs as at 31<sup>st</sup> August 2018, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and parent charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**Independent Auditor's Report to the Members and Trustees**  
**Year ended 31st August 2018**

**Other information/cont..**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Independent Auditor's Report to the Members and Trustees**  
**Year ended 31st August 2018**

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 9 & 10, the trustees (who are also the directors of the charitable company for the purposes 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 group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or 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**

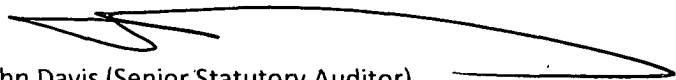
We have been appointed auditors under the Companies Act 2006 and report in accordance with that Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



John Davis (Senior Statutory Auditor)  
For and on behalf of  
Bakers, Registered Auditors  
(The practising name of Baker (Midlands) Limited)  
Arbor House  
Broadway North  
Walsall  
WS1 2AN

21 August 2019

**THE VINE TRUST WALSALL AND SUBSIDIARIES (REGISTERED NUMBER 04370289)**

**Consolidated Statement of Financial Activities (including Income and Expenditure Account)**  
**Year ended 31st August 2018**

			2018		2017
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	2	264,696	1,667	266,363	139,597
Charitable activities	3	271,368	-	271,368	2,148,714
Other trading activities	4	397,891	-	397,891	301,131
Investments	5	4	-	4	-
Other	6	63,659	23,919,000	23,982,659	-
<b>Total income and endowments</b>		<b>997,618</b>	<b>23,920,667</b>	<b>24,918,285</b>	<b>2,589,442</b>
<b>Expenditure on:</b>					
Raising funds		-	-	-	10,737
Charitable activities	8	909,143	9,667	918,810	2,726,815
Other	7	12,371	752,341	764,712	-
Bad debt		146,299	-	146,299	46,019
<b>Total expenditure</b>		<b>1,067,813</b>	<b>762,008</b>	<b>1,829,821</b>	<b>2,783,571</b>
<b>Net income / (expenditure)</b>		<b>(70,195)</b>	<b>23,158,659</b>	<b>23,088,464</b>	<b>(194,129)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(59,015)	760,341	701,326	895,455
<b>Total funds carried forward</b>		<b>(129,210)</b>	<b>23,919,000</b>	<b>23,789,790</b>	<b>701,326</b>

All income and expenditure derive from continuing activities.  
The Statement of Financial Activities includes all gains and losses recognised in the year.



**THE VINE TRUST WALSALL AND SUBSIDIARIES (REGISTERED NUMBER 04370289)**

**Consolidated Balance Sheet  
Year ended 31st August 2018**

	Note	2018 £	2017 £
<b>Fixed Assets</b>			
Tangible assets	14	2,136,167	2,865,806
Investments	16	23,919,000	-
		<u>26,055,167</u>	<u>2,865,806</u>
<b>Current Assets</b>			
Stock		-	1,500
Debtors	17	9,669	251,424
Cash at bank and in hand		3,654	182,601
		<u>13,323</u>	<u>435,525</u>
<b>Creditors</b>			
Amounts falling due within one year	18	(425,093)	(834,336)
<b>Net current liabilities</b>		<u>(411,770)</u>	<u>(398,811)</u>
<b>Total assets less current liabilities</b>		<u>25,643,397</u>	<u>2,466,995</u>
<b>Creditors</b>			
Amounts falling due after more than one year	19	(1,853,607)	(1,765,669)
		<u>23,789,790</u>	<u>701,326</u>
<b>Charity Funds</b>			
Unrestricted funds	20	(129,210)	(59,015)
Restricted funds	20	23,919,000	760,341
		<u>23,789,790</u>	<u>701,326</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 20 August 2019 and were signed on its behalf by:

  
.....  
P B J Powell Trustee

The notes form part of these financial statements

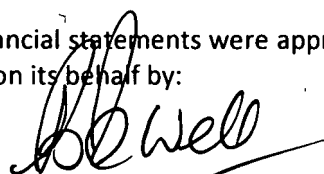
**THE VINE TRUST WALSALL AND SUBSIDIARIES (REGISTERED NUMBER 04370289)**

**Charity Balance Sheet**  
**Year ended 31st August 2018**

	Note	2018	2017
		£	£
<b>Fixed Assets</b>			
Tangible assets	15	2,136,167	2,155,667
<b>Current Assets</b>			
Debtors	17	7,919	109,601
Cash at bank and in hand		2,692	135
		<u>10,611</u>	<u>109,736</u>
<b>Creditors</b>			
Amounts falling due within one year	18	(402,814)	(252,065)
<b>Net current liabilities</b>		<u>(392,203)</u>	<u>(142,329)</u>
<b>Total assets less current liabilities</b>		<u>1,743,964</u>	<u>2,013,338</u>
<b>Creditors</b>			
Amounts falling due after more than one year	19	(1,808,607)	(1,720,669)
		<u>(64,643)</u>	<u>292,669</u>
<b>Charity Funds</b>			
Unrestricted funds		(64,643)	284,669
Restricted funds		-	8,000
		<u>(64,643)</u>	<u>292,669</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 20 August 2019 and were signed on its behalf by:



.....  
P B J Powell Trustee

The notes form part of these financial statements

**Consolidated Statement of Cash Flows**  
**Year ended 31st August 2018**

	Note	2018	2017
		£	£
<b>Net cash flows from operating activities</b>	25	(784,626)	88,109
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(31,773)	(15,370)
Disposal of tangible fixed assets		710,139	-
<b>Cash flows from financing activities</b>			
Interest paid		(72,687)	(75,916)
Increase/(decrease) in cash and cash Equivalents in the year		(178,947)	(3,180)
Cash and cash equivalent at 1 September 2017		182,601	185,781
Cash and cash equivalents at 31 August 2018		3,654	182,601

**Notes to the Financial Statements**  
**Year ended 31st August 2018**

**1. Accounting Policies**

**General information and basis of preparation**

Vine Trust Walsall is a charitable company incorporated in England. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to empower, educate, engage, and employ young people.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16<sup>th</sup> July 2014 (as updated through Update Bulletin 1 published on 2<sup>nd</sup> February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Basis of consolidation**

The group financial statements consolidate the accounts of the Company and its subsidiary undertakings. Intra-group transactions and profits are eliminated on consolidation.

**Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Income**

All incoming resources are included in the SoFA when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

**Notes to the Financial Statements**  
**Year ended 31st August 2018**

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP(FRS 102).

**Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities includes provision of personal coaching services; and
- Other expenditure represents those items not falling into the categories above

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

**Tangible fixed assets**

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

Land and buildings	- 2% on cost
Motor vehicles, fixtures etc	- 20% to 25% on cost
Freehold land with an estimated cost of £50,000 is not depreciated.	

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**Notes to the Financial Statements**  
**Year ended 31st August 2018**

**Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Leasing commitments**

Rentals paid under operating leases are charged to the statement of financial activity on a straight line basis over the period of the lease.

**Going concern**

As shown in the financial statements the Group had net expenditure on unrestricted funds of £70,195 for the year and at 31 August 2018 had net liabilities of £129,210. The Group have prepared income and cash flow projections for a period of 12 months from the date of the approval of these financial statements which indicate a positive position including the disposal of freehold property as disclosed in note 26. On this basis and on indications from supporters that they will continue to provide additional financial resources as required, the Trustees consider it appropriate to prepare the financial statements on the going concern basis.

**Employee benefits**

Where employees have rendered service to the charity, short term benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

**Pension benefits**

The charity contributes to a defined contribution pension scheme for certain members of staff. Contributions are expensed as they become payable.

Notes to the Financial Statements  
Year ended 31st August 2018

**2. Income from donations and legacies**

	2018	2017
	£	£
Donations		
Unrestricted - General	264,696	113,097
Grant Income		
Unrestricted - General	-	18,500
Restricted - Ladder	-	8,000
Restricted – Big Feed	1,667	-
Total	<u>266,363</u>	<u>139,597</u>

**3. Income from charitable activities**

	2018	2017
	£	£
Walsall Studio School	-	1,821,750
Guidance services	97,300	-
Second chances school	59,204	(7,387)
Ikea	77,536	328,013
Restaurant	37,328	-
Other	-	6,338
Total	<u>271,368</u>	<u>2,148,714</u>

**4. Income from trading activities**

	2018	2017
	£	£
Events	5,495	11,750
Property cost recharges	283,393	46,548
Support cost recharges	104,081	4,992
Restaurant	-	204,723
Fund raising	740	2,385
Other	4,182	30,733
Total	<u>397,891</u>	<u>301,131</u>

Notes to the Financial Statements  
Year ended 31st August 2018

5. Income from investments

	2018	2017
	£	£
Interest received	4	-
Total	<u>4</u>	<u>-</u>

6. Other income

	2018	2017
	£	£
Vines Catering reserves	63,659	-
Interest in Mercian Trust (note 16)	23,919,000	-
Total	<u>23,982,659</u>	<u>-</u>

7. Other expenditure

	2018	2017
	£	£
P390 reserves	12,371	-
Walsall Studio School transfer	752,341	-
Total	<u>764,712</u>	<u>-</u>

Walsall Studio School was transferred to a new Multi Academy Trust The Mercian Trust on 1 January 2018. The value included above represents the Net Assets of Walsall Studio School at 31 August 2017. The results of Walsall Studio School for the period 1 September 2017 to 31 December 2017 are not included in these accounts as the School was not part of the Group at 31 August 2018.

8. Analysis of expenditure on charitable activities

	Direct Costs	Support Costs	Total
	£	£	£
Property	388,993	37,669	426,662
Support	125,668	39,542	164,087
Restaurants & catering	83,714	9,913	93,627
Ikea	74,777	9,913	84,690
Guidance	90,070	4,038	94,108
Second chances school	43,109	11,404	54,513
Total	<u>806,331</u>	<u>112,479</u>	<u>918,810</u>



Notes to the Financial Statements  
Year ended 31st August 2018

9. Charitable activities cost

	2018	2017
	£	£
Purchases	19,484	102,267
Wages & salaries	510,762	1,594,630
Sub-contractors	-	214,022
Staff training	931	5,603
Rent, rates & water	49,773	16,681
Insurance	15,288	20,668
Heat & light	72,797	58,494
Repairs & maintenance	26,381	35,085
Recruitment	-	4,000
Advertising	1,070	13,065
Post, print & stationery	11,036	24,217
Telephone	36,580	40,187
Travel, subs & entertaining	2,825	8,372
General expenses	9,424	33,605
Professional fees	7,732	7,311
Security & transport	-	1,246
Technology	-	11,074
Educational supplies	-	136,056
Examination fees	-	53,877
Bursary	-	9,642
Catering	-	13,762
Donations	5,871	7,860
Loan interest & charges	72,687	75,916
Depreciation	51,273	183,388
Governance	24,866	55,787
Total	918,810	2,726,815

10. Governance costs

	2018	2017
	£	£
Professional fees	4,596	27,721
Auditors remuneration	5,550	21,728
Miscellaneous	14,720	6,338
Total	24,866	55,787

**Notes to the Financial Statements**  
**Year ended 31st August 2018**

**11. Auditors remuneration**

The auditor's remuneration amounts to an audit fee of £5,550 (2017: £14,400) and for accounts and others services £ Nil. (2017: £7,328).

**12. Trustees' and key management personnel remuneration and expenses**

The trustees neither received nor waived any remuneration during the year (2017: £Nil).

The trustees did not have any expenses reimbursed during the year (2017: £Nil).

The total employee benefits (including employer pension contributions) received by key management personnel is £73,288 (2017: £212,550). The Trust considers its key management personnel to be the Chief Executive Officer. (2017: CEO, Principal and Vice Principal)

**13. Staff costs and employee benefits**

The average number of employees and full time equivalent (FTE) during the year was as follows:

	2018 Number	2018 FTE	2017 Number	2017 FTE
Charitable activities	27	22	77	71

The total staff costs and employee benefits were as follows:

	2018	2017
	£	£
Wages and salaries	472,661	1,379,950
Social security costs	32,966	108,989
Pension costs	5,165	105,691
<b>Total</b>	<b>510,792</b>	<b>1,594,630</b>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

£70,001 - £80,000	1	1
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Notes to the Financial Statements  
Year ended 31st August 2018

14. Tangible Fixed Assets - Group

	Land & Buildings £	Plant & Machinery £	Total £
<b>Cost</b>			
At 1 <sup>st</sup> September 2017	3,029,744	790,386	3,820,130
Additions	31,773	-	31,773
Disposals	(600,000)	(610,036)	(1,210,036)
At 31 <sup>st</sup> August 2018	2,461,517	180,350	2,641,867
<b>Depreciation</b>			
At 1 <sup>st</sup> September 2017	328,982	625,342	954,324
Charge for year	48,229	3,044	51,273
On disposals	(48,000)	(451,897)	(499,897)
At 31 <sup>st</sup> August 2018	329,211	176,489	505,700
<b>Net Book Values</b>			
At 31 <sup>st</sup> August 2018	2,132,306	3,861	2,136,167
At 31 <sup>st</sup> August 2017	2,700,762	165,044	2,865,806

15. Tangible Fixed Assets – Charity

	Land & Buildings £	Plant & Machinery £	Total £
<b>Cost</b>			
At 1 <sup>st</sup> September 2017	2,429,744	185,348	2,615,089
Additions	31,773	-	31,773
Disposals	-	(4,995)	(4,995)
At 31 <sup>st</sup> August 2018	2,461,517	180,350	2,641,867
<b>Depreciation</b>			
At 1 <sup>st</sup> September 2017	280,982	178,440	459,422
Charge for year	48,229	3,044	51,273
On disposals	-	(4,995)	(4,995)
At 31 <sup>st</sup> August 2018	329,211	176,489	505,700
<b>Net Book Values</b>			
At 31 <sup>st</sup> August 2018	2,132,306	3,861	2,136,167
At 31 <sup>st</sup> August 2017	2,700,762	165,044	2,865,806

Notes to the Financial Statements  
Year ended 31st August 2018

16. Fixed Assets Investments

	Other Investments £
Valuation/Carrying amount	
Additions	23,919,000
At 31 <sup>st</sup> August 2018	<u>23,919,000</u>
At 31 <sup>st</sup> August 2017	<u>-</u>

The investment represents the charity's interest in The Mercian Trust a Multi academy Trust (MAT) formed by a group of Government funded schools working together under a common banner and an overarching structure of governance. It has as its members, The Vine Trust Walsall, with effectively two voting member seats, and The Queen Mary's Foundation, with effectively three voting member seats. From the 'significant Influence' that its two seats (one corporate membership and one individual appointee) gives the interest in The Mercian Trust is stated at 40% of its Total restricted Funds at 31 August 2018 according to the Audited Accounts.

The investment is restricted as representing government funding solely for the purpose of educating students in the Mercian Trust Schools.

17. Debtors: Amounts falling due within one year

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Trade debtors	9,556	52,402	6,614	9,785
Amounts owed by group companies	-	-	1,192	96,091
Prepayments and accrued income	113	199,022	113	3,725
Total	<u>9,669</u>	<u>251,424</u>	<u>7,919</u>	<u>109,601</u>

18. Creditors: Amounts falling due within one year

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Bank loans and overdrafts	57,751	77,415	57,751	77,415
Trade creditors	33,261	80,747	27,922	36,350
Amounts owed to group companies	-	46,019	1,999	16,188
Taxation and social security	18,614	214,526	16,475	63,583
Accruals and deferred income	162,091	172,970	159,541	45,202
Other creditors	153,376	242,659	139,126	13,328
Total	<u>425,093</u>	<u>834,336</u>	<u>402,814</u>	<u>252,065</u>

Notes to the Financial Statements  
Year ended 31st August 2018

19. Creditors: Amounts falling due after more than one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Bank loans	151,171	166,213	151,171	166,213
Other loans	1,538,232	1,487,025	1,538,232	1,487,025
Other creditors	164,204	112,431	119,204	67,431
Total	<u>1,853,607</u>	<u>1,765,669</u>	<u>1,808,607</u>	<u>1,720,669</u>

Bank loans include aggregate amounts of £93,175 (2017: £109,456) and other loans include aggregate amounts of £1,366,270 (2017: £1,314,949) which fall due after five years and which are payable by instalments.

20. Fund Reconciliation

	Balance at 1 <sup>st</sup> Sept 2017	Income	Expenditure	Transfers between funds	Balance at 31 <sup>st</sup> August 2018
	£	£	£	£	£
<b>Unrestricted Funds</b>					
General funds	(74,413)	997,618	(1,067,813)	15,398	(129,210)
<i>Designated</i>					
NDLC Capital Grant	15,398	-	-	(15,398)	-
	<u>(59,015)</u>	<u>997,618</u>	<u>(1,067,813)</u>	<u>-</u>	<u>(129,210)</u>
<b>Restricted Funds</b>					
Ladder School	8,000	1,667	(9,667)	-	-
Walsall Studio School	752,341	-	(752,341)	-	-
Mercian Trust	-	23,919,000	-	-	23,919,000
	<u>760,341</u>	<u>23,920,667</u>	<u>(762,008)</u>	<u>-</u>	<u>23,919,000</u>
	<u>701,326</u>	<u>24,918,285</u>	<u>(1,829,071)</u>	<u>-</u>	<u>23,789,790</u>

**Notes to the Financial Statements**  
**Year ended 31st August 2018**

**21. Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	2,136,167	-	2,136,167
Current assets	13,323	23,919,000	23,932,323
Current liabilities	(425,093)	-	(425,093)
Creditors falling due after more than one year	(1,853,607)	-	(1,853,607)
<b>Total</b>	<b>(129,210)</b>	<b>23,919,000</b>	<b>23,789,790</b>

**22. Pensions and Similar Obligations**

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £5,165. (2017: £2,723 (TPS £96,438, LGPS £6,530)).

**23. Ultimate controlling party**

During the year, the Charity was under the control of the Trustees.

**24. Transactions with Trustees**

A limited guarantee has been given by J Price, J Tipper, P Powell and M Masters to Barclays Bank PLC for £20,000.

At 31<sup>st</sup> August 2018 the charity owed £62,000 (2017: £42,000) to House on the Corner, a charity in which P Powell is a trustee.

At 31<sup>st</sup> August 2018 the charity owed £15,000 (2017: £15,000) to J Sargent, a director and trustee. At the balance sheet date £937 was due to J Sargent in respect of interest on the loan.

At 31<sup>st</sup> August 2018 the charity owed £15,000 (2017: £15,000) to P Powell, a director and trustee.

At 31<sup>st</sup> August 2018 the charity owed £15,000 (2017: £15,000) to M Harland, a director and trustee.

The Company has taken advantage of the exemptions contained within Financial Reporting Standard No.8 not to disclose intra-group transactions on the basis that all subsidiaries are 100% owned and all transactions with other Group companies are eliminated in the consolidated financial statements.

Notes to the Financial Statements  
Year ended 31st August 2018

**25. Reconciliation of net movement in funds to net cash flow from operating activities**

	2018	2017
	£	£
Net income (expenditure) for the year	23,088,464	(194,129)
Fixed asset investment	(23,919,000)	-
Add back depreciation charges	51,273	183,388
Interest paid shown in investing activities	72,687	75,916
Decrease (increase) in stock	1,500	-
Decrease (increase) in debts	241,755	64,399
Increase (decrease) in creditors	(321,305)	(41,465)
	<u>(784,626)</u>	<u>88,109</u>

**26. Post balance sheet events**

Since the balance sheet date, the sale of the Goldmine Centre property has been agreed at £1.93m which will enable the Charity to clear its mortgage and loans and continue its charitable activities. Completion of this should take place on 30<sup>th</sup> August 2019. The net book value of the Goldmine Centre at 31 August 2018 was £1.69m.