

Registration number: 09131832

# WA Community Enterprises Limited

Annual Report and Financial Statements

for the Year Ended 31 August 2020



# **WA Community Enterprises Limited**

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# **WA Community Enterprises Limited**

## **Company Information**

### **Directors**

M R Payne

A M Dyer

S Dallimore

J Divall

M A Bunting

### **Registered office**

C/o Westfield Academy Trust

Stiby Road

Yeovil

Somerset

BA21 3EP

### **Auditors**

Milsted Langdon LLP

Chartered Accountants and Statutory Auditors

Yeovil

## **WA Community Enterprises Limited**

### **Directors' Report for the Year Ended 31 August 2020**

The directors present their report and the financial statements for the year ended 31 August 2020.

#### **Directors of the company**

The directors who held office during the year were as follows:

M R Payne

A M Dyer

S Dallimore

J Divall

M A Bunting

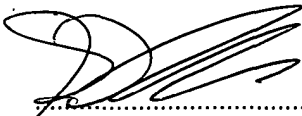
#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 18.12.20 and signed on its behalf by:



S Dallimore  
Director

## **WA Community Enterprises Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **WA Community Enterprises Limited**

### **Independent Auditor's Report to the Members of WA Community Enterprises Limited**

#### **Opinion**

We have audited the financial statements of WA Community Enterprises Limited (the 'company') for the year ended 31 August 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A '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 company's affairs as at 31 August 2020 and of its profit 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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 other information comprises the information included in the 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.

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.

## **WA Community Enterprises Limited**

### **Independent Auditor's Report to the Members of WA Community Enterprises Limited**

#### **Opinion on other matter 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 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 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors 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 Directors' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

## **WA Community Enterprises Limited**


### **Independent Auditor's Report to the Members of WA Community Enterprises Limited**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the 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 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.

  
.....  
Mr Gary Salter (Senior Statutory Auditor)  
For and on behalf of Milsted Langdon LLP, Statutory Auditor  
Yeovil

Date: 6 January 2021



## **WA Community Enterprises Limited**

### **Profit and Loss Account for the Year Ended 31 August 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Turnover		74,526	140,489
Cost of sales		<u>(6,855)</u>	<u>(23,653)</u>
Gross profit		67,671	116,836
Administrative expenses		<u>(11,370)</u>	<u>(11,709)</u>
Operating profit		56,301	105,127
Other interest receivable and similar income		<u>20</u>	<u>29</u>
Profit before tax		<u>56,321</u>	<u>105,156</u>
Profit for the financial year		<u>56,321</u>	<u>105,156</u>

The above results were derived from continuing operations.

The notes on pages 10 to 12 form an integral part of these financial statements.

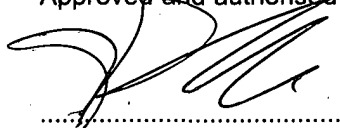
# WA Community Enterprises Limited

(Registration number: 09131832)  
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Stocks	3	10,304	15,211
Debtors	4	4,572	22,737
Cash at bank and in hand		44,683	71,092
		<u>59,559</u>	<u>109,040</u>
<b>Creditors: Amounts falling due within one year</b>	5	<u>(3,238)</u>	<u>(3,884)</u>
<b>Net assets</b>		<u>56,321</u>	<u>105,156</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>56,321</u>	<u>105,156</u>
<b>Total equity</b>		<u>56,321</u>	<u>105,156</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 18.12.20 and signed on its behalf by:

  
.....  
S Dallimore  
Director

The notes on pages 10 to 12 form an integral part of these financial statements.

# **WA Community Enterprises Limited**

## **Statement of Changes in Equity for the Year Ended 31 August 2020**

	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 September 2019	105,156	105,156
Profit for the year	56,321	56,321
Payment to charity under gift aid scheme	<u>(105,156)</u>	<u>(105,156)</u>
Total comprehensive income	<u>(48,835)</u>	<u>(48,835)</u>
At 31 August 2020	<u>56,321</u>	<u>56,321</u>
	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 September 2018	90,361	90,361
Profit for the year	105,156	105,156
Payment to charity under gift aid scheme	<u>(90,361)</u>	<u>(90,361)</u>
Total comprehensive income	<u>14,795</u>	<u>14,795</u>
At 31 August 2019	<u>105,156</u>	<u>105,156</u>

The notes on pages 10 to 12 form an integral part of these financial statements.

## **WA Community Enterprises Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2020**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

C/o Westfield Academy Trust

Stiby Road

Yeovil

Somerset

BA21 3EP

United Kingdom

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Going concern**

The COVID 19 pandemic required the school to close its premises to outside lets between Mid March and July 2020. This significantly reduced the income generated by the trading subsidiary. Going forward, as we move out of the pandemic, we anticipate income levels will quickly return to normal, though are likely to remain reduced for 2020 2021. The financial statements have been prepared on a going concern basis.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## WA Community Enterprises Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### 3 Stocks

	2020	2019
	£	£
Other inventories	10,304	15,211

### 4 Debtors

	2020	2019
	£	£
Trade debtors	1,459	19,669
Prepayments	2,444	-
Other debtors	669	3,068
	4,572	22,737

## WA Community Enterprises Limited

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 5 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Amounts owed to related parties		-	533
Accruals and deferred income		3,238	3,351
		<u>3,238</u>	<u>3,884</u>

#### 6 Related party transactions

##### Summary of transactions with parent

Westfield Academy Trust

(the company's ultimate parent undertaking)

Westfield Academy Trust charges WA Community Enterprises Limited management charges. Management charges for the period totalled £6,000 (2019 - £6,000).

WA Community Enterprises Limited will be making a Gift Aid payment of £56,321 (2019 - £105,156) to Westfield Academy Trust within the 9 months of the period end.

At the year end there was an amount due to Westfield Academy of £nil (2019 - £533).

#### 7 Parent and ultimate parent undertaking

The company's immediate parent is Westfield Academy Trust, incorporated in England.

## WA Community Enterprises Limited

### Detailed Profit and Loss Account for the Year Ended 31 August 2020

	2020 £	2019 £
Turnover (analysed below)	74,526	140,489
Cost of sales (analysed below)	<u>(6,855)</u>	<u>(23,653)</u>
Gross profit	67,671	116,836
Gross profit (%)	90.8%	83.16%
<b>Administrative expenses</b>		
General administrative expenses (analysed below)	<u>(11,370)</u>	<u>(11,709)</u>
Operating profit	56,301	105,127
Other interest receivable and similar income (analysed below)	<u>20</u>	<u>29</u>
Profit before tax	<u><u>56,321</u></u>	<u><u>105,156</u></u>

This page does not form part of the statutory financial statements.

# WA Community Enterprises Limited

## Detailed Profit and Loss Account for the Year Ended 31 August 2020

	2020 £	2019 £
<b>Turnover</b>		
Sale of goods, UK	<u>74,526</u>	<u>140,489</u>
<b>Cost of sales</b>		
Opening uniform stock	15,211	10,131
Purchases	1,948	28,733
Closing uniform stock	<u>(10,304)</u>	<u>(15,211)</u>
	<u>6,855</u>	<u>23,653</u>
<b>General administrative expenses</b>		
Insurance	712	648
Computer software and maintenance costs	770	533
Management charges payable	6,000	6,000
Accountancy fees	201	191
Auditor's remuneration - The audit of the company's annual accounts	3,000	2,880
Legal and professional fees	200	280
Bad debts written off	-	714
Bank charges	<u>487</u>	<u>463</u>
	<u>11,370</u>	<u>11,709</u>
<b>Other interest receivable and similar income</b>		
Bank interest receivable	<u>20</u>	<u>29</u>