

Company registration number: 10527810

Charity registration number: 1175536

Ministry of Building Innovation

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 15 December 2016 to 31 December 2017



GRC Accountants Limited
166 Banks Road
West Kirby
Wirral
Merseyside
CH48 0RH

Ministry of Building Innovation

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Ministry of Building Innovation

Reference and Administrative Details

Trustees	Timothy John Abram Lyle (appointed 17 August 2017) John Mathers (appointed 15 December 2016) George Anthony Clarke (appointed 15 December 2016) Mary Valerie Linda Parsons (appointed 14 February 2018)
Secretary	John Mathers
Principal Office	3 Princes Close London SW4 0LG
Company Registration Number	10527810
Charity Registration Number	1175536
Bankers	Clydesdale Bank Piccadily Circus London SW1Y 4ND
Independent Examiner	GRC Accountants Limited 166 Banks Road West Kirby Wirral Merseyside CH48 0RH

Ministry of Building Innovation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 31 December 2017.

Structure, governance and management

Nature of governing document

Ministry Of Building Innovation is a company limited by guarantee (No. 10527810). It is registered as a charity with the Charity Commission in England and Wales (No. 1175536). Its governing instruments are its Memorandum of Association and Articles of Association which were approved on 15th December 2016 and subject to a change on 17th August 2017.

Recruitment and appointment of trustees

The composition of the Board is reviewed on a regular basis to ensure that it remains appropriate for directing the activities of the charity.

Consideration is given to breadth of knowledge, diversity of skills and experience.

Board renewal is seen as important for good governance, whilst the contribution of experienced Board members is vital.

Organisational structure

The Board of Trustees, which must have at least three members, administers the charity. The Chief Operating Officer manages the day to day operations of the charity.

Working relationships

Teeside University and Harlow College who will be delivering MOBIE courses. New partnerships with Wolverhampton University, Building Research Establishment, The Manufacturing Technology Centre and Pearson Education are being explored.

Major risks and management of those risks

Risk

A Risk Management Plan is produced annually to identify potential risks, gauge the likelihood of the risk occurring, estimate the effect and potential impact and detail the arrangements in place to reduce the risk.

Objectives and activities

Objects and aims

As detailed in the Memorandum of Association, the charity's objectives are "To advance such charitable purposes as the trustees see fit from time to time in particular but not limited to advancing the education of young people and adults for the public benefit by, providing centres of educational excellence, delivering educational programmes, carrying out research and making grants and awards to students". In part these activities will be delivered with funding from grants and donations.

MOBI trustees have complied with their duty to have due regard to the Charity Commissions public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Ministry of Building Innovation

Trustees' Report

Financial review

The Statement of Financial Activities (SOFA) set out on page 7, is designed to reflect all income receivable in the period irrespective of when it is spent.

During the year the charity received donations of £500,000 and had total incoming resources of £512,165. The charity had total expended resources for the year of £112,410. The accumulated funds at the end of the year were £399,755.

These financial statements have been prepared in accordance with the Statement of Recommended Practice - "Accounting and Reporting by Charities" and applicable accounting standards.

Policy on reserves

The charity will need to hold sufficient unrestricted reserves to enable it to deliver a portfolio of projects in line with the public benefit it provides, therefore a reserve will be developed to enable this. Trustees will then monitor reserve levels on a periodic basis to ensure the charity remains in a financial position to complete required activities both in the short and long term.

Investment policy and objectives

The charity has the power to invest any monies not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject to such conditions and consents as may be imposed or required by law and within the limits of the Ministry of Building Innovation treasury policy.

Plans for future periods

Aims and key objectives for future periods

The demand for the services of Ministry Of Building Innovation will continue to grow during the course of 2018. Existing products and services will be replicated and new products and services will be developed to meet the identified need.

To develop and launch new HNC/HND and MSc courses that will start in 2018

Going concern

The charity operates to an agreed annual budget that is aligned with the annual business planning process. The aim is to utilise a combination of internal and external funding to match the operational costs. In some years, the charitable activity undertaken will require any unrestricted reserves to be utilised in order to meet the requirements of the Business Plan. The Directors are therefore of the opinion that the Charity is a going concern.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Ministry of Building Innovation

Trustees' Report

Achievements and performance

- Become a Registered Charity
- Complete a feasibility study for the delivery of MOBI activity
- Deliver our first business plan
- Appoint Key staff members
- Establish relationships with major educational providers and other organisations
- Established new HNC/HND and MSc courses that will be delivered in 2018 with a target of 40 young people, meeting our charities objective of advancing the education of young people and adults for the public benefit by delivering educational programmes.

The Trustees, as part of their remit, review the charity's objectives alongside the latest strategies and priorities. They remain satisfied that the objectives are capable of being delivered for the public benefit. In addition the activities undertaken as a result of current strategies and priorities are considered to be sufficiently wide and open so as to fall within the statutory definition of public benefit.

The annual report was approved by the trustees of the charity on 13/08/2018 and signed on its behalf by:



.....

John Mathers

Company Secretary and Trustee

Ministry of Building Innovation

Statement of Trustees' Responsibilities

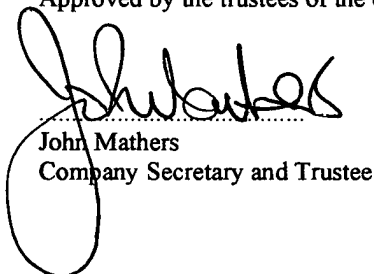
The trustees (who are also the directors of Ministry of Building Innovation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 2/04/20 and signed on its behalf by:



John Mathers
Company Secretary and Trustee

Ministry of Building Innovation

Independent Examiner's Report to the trustees of Ministry of Building Innovation

I report on the accounts of the charity for the year ended 31 December 2017 which are set out on pages 7 to 13 .

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Gareth Cooper
ACCA

166 Banks Road
West Kirby
Wirral
Merseyside
CH48 0RH

Date:

16/08/2018

Ministry of Building Innovation

Statement of Financial Activities for the Period from 15 December 2016 to 31 December 2017

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 31 December 2017 £
Income and Endowments from:			
Donations and legacies	3	500,000	500,000
Other trading activities	4	<u>12,165</u>	<u>12,165</u>
Total Income		<u>512,165</u>	<u>512,165</u>
Expenditure on:			
Raising funds		(111,882)	(111,882)
Charitable activities	5	<u>(780)</u>	<u>(780)</u>
Total Expenditure		<u>(112,662)</u>	<u>(112,662)</u>
Net income		<u>399,503</u>	<u>399,503</u>
Reconciliation of funds			
Total funds carried forward	9	<u>399,503</u>	<u>399,503</u>

All of the charity's activities derive from continuing operations during the above period.

Ministry of Building Innovation

(Registration number: 10527810)
Balance Sheet as at 31 December 2017

	Note	31 December 2017 £
Current assets		
Cash at bank and in hand		472,178
Creditors: Amounts falling due within one year	8	<u>(72,675)</u>
Net assets		<u>399,503</u>
Funds of the charity:		
Unrestricted income funds		
Unrestricted funds		<u>399,503</u>
Total funds	9	<u>399,503</u>

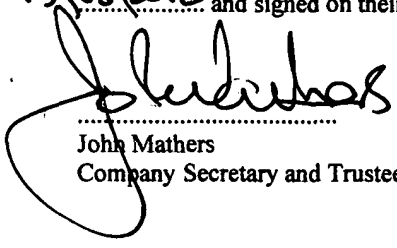
For the financial period ending 31 December 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

13/08/2018 The financial statements on pages 7 to 13 were approved by the trustees, and authorised for issue on and signed on their behalf by:


.....
John Mathers
Company Secretary and Trustee

Ministry of Building Innovation

Notes to the Financial Statements for the Period from 15 December 2016 to 31 December 2017

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

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

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Ministry of Building Innovation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Donations and legacies

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

Ministry of Building Innovation

Notes to the Financial Statements for the Period from 15 December 2016 to 31 December 2017

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Ministry of Building Innovation

Notes to the Financial Statements for the Period from 15 December 2016 to 31 December 2017

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

3 Income from donations and legacies

	Unrestricted funds	Total 31 December 2017
	General £	£
Donations and legacies;		
Donations from individuals	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

4 Income from other trading activities

	Unrestricted funds	Total 31 December 2017
	General £	£
Events income;		
Other events income	12,165	12,165
	<u>12,165</u>	<u>12,165</u>

5 Expenditure on charitable activities

		Unrestricted funds	Total 31 December 2017
	Note	General £	£
Governance costs	6	780	780

£780 of the above expenditure was attributable to unrestricted funds and £Nil to restricted funds.

Ministry of Building Innovation

**Notes to the Financial Statements for the Period from 15 December 2016 to 31
December 2017**

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds	Total 31 December 2017
	General £	£
Allocated support costs	<u>780</u>	<u>780</u>
	<u>780</u>	<u>780</u>

Ministry of Building Innovation

Notes to the Financial Statements for the Period from 15 December 2016 to 31 December 2017

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

8 Creditors: amounts falling due within one year

	31 December 2017 £
Other loans	55,000
Accruals	<u>17,675</u>
	<u>72,675</u>

9 Funds

	Incoming resources £	Resources expended £	Balance at 31 December 2017 £
Unrestricted funds			
General	<u>(512,165)</u>	<u>112,662</u>	<u>(399,503)</u>

10 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Current assets	472,178	472,178
Current liabilities	<u>(72,675)</u>	<u>(72,675)</u>
Total net assets	<u>399,503</u>	<u>399,503</u>