

THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)

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THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE PERIOD ENDED 31 MARCH 2018**

Directors Dr Carol Coombes (appointed 10 July 2017)
John Cornett (appointed 1 September 2017)
David Cox OBE (appointed 10 July 2017)
Karen Creavin (appointed 1 February 2018)
Ifor Jones (appointed 10 July 2017)
Samantha Porter (appointed 10 July 2017)
Steven Rose (appointed 23 July 2018)

CBS registered number RS007595

Registered office Studio 309
The Custard Factory
Gibb Street
Birmingham
B9 4AA

Chief executive officer Karen Creavin (from January 2018)

Accountants MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Rutland House
148 Edmund Street
Birmingham
B3 2FD

Bankers Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)

DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2018

The Directors present their annual report together with the financial statements of the Society for the period 10 July 2017 to 31 March 2018. The Directors confirm that the Annual Report and financial statements of the Society comply with the current statutory requirements, the requirements of the Society's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015) and the Co-operative and Community Benefit Societies Act 2014.

Objectives and Activities

Policies and objectives

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Activities for achieving objectives

The Active Wellbeing Society (TAWS) is a new, independent co-operative organisation that works with some of the poorest communities in Birmingham and beyond to improve people's health and wellbeing through physical activity. TAWS has developed and grown from the Birmingham City Council Wellbeing Service that began in June 2015 offering residents the opportunity to be active, improve their health and connect with their local community, across parks and green spaces. We develop programmes that provoke physical and civic activity in conjunction with the communities and their anchor organisations. The Wellbeing Service has had an outstanding track record of innovation, collaboration, citizen engagement and successful delivery within the Council.

As an independent entity TAWS will build on this foundation to continue its growth and development in fulfilling its mission: to use physical activity, guided by innovation, collaboration and insight, to do the social knitting required to create stronger and more resilient communities.

TAWS is working to continue to provide a wide range of physical activity for people who have the least access and lowest participation rates. This includes:

Big Birmingham Bikes - 3,500 cycles given to people in deprived communities who are encouraged to cycle through supported rides and courses plus a further 1,500 cycles given out to community groups and for free hire in hubs across the city.

Active Parks - free activities in over 80 parks throughout the year and peaking during the summer months.

Active Streets - road closures to enable play, activity and cohesion.

Run Birmingham - 15,000 new runners since June 2015.

Be Active Plus - GP referral scheme delivered in local facilities.

Main activities undertaken to further the charity's purposes for the public benefit

TAWS will continue to be the strategic lead for Birmingham City Council in health, wellbeing, sport and leisure. It will provide a point of contact with Sport England, National Governing Bodies of Sports, national partners in health and community development.

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DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 MARCH 2018

Achievements and performance

Review of activities

The Society was registered on 10 July 2017 and this period of account reflects a period of establishment and development of governance and operational structures and strategic planning to move forward as an independent entity.

The legal transfer of the outreach activities of the Wellbeing Service from Birmingham City Council took place on 1 July 2018.

Financial review

Reserves policy

The Directors have not yet developed a reserves policy due to the infancy of the Society but this will form part of the considerations in the next financial year to ensure a robust and sustainable future for the Society and was referenced and intended within the original business plan signed off by Birmingham City Council in the set up phase.

Principal funding

For the financial year under review grant funding was received from Birmingham City Council and from the Department for Digital, Culture, Media and Sport. The funding was to facilitate the establishment of the Society as an independent body and to develop the infrastructure to operate the outreach and strategic activities of the Wellbeing Service on transfer from Birmingham City Council.

The income for the period was £220,400 with expenditure of £167,047. The net operating surplus for the period was £53,353.

Structure, governance and management

Constitution

The Society is a charitable community benefit society constituted under the Co-operatives and Community Benefit Societies Act 2014 and registered on 10 July 2017.

The principal objects of the Society as set out in the Society rules are to carry on business for the benefit of the community by advancing health and saving lives; advancing citizenship and community developments; and providing relief to those in need because of their youth, age, ill-health, disability, financial hardship or other disadvantage.

Method of appointment or election of Directors

The management of the Society is the responsibility of the Directors who are elected and co-opted under the terms of the Society Rules.

The Rules provide for a minimum of four Directors and not more than 12 Directors. Executive Directors may be

THE ACTIVE WELLBEING SOCIETY LIMITED
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DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 MARCH 2018

members of the Board ex-officio provided that the majority of the Board are non-executives.

Board members have an initial term of three years and one third retire on an annual basis by rotation and may stand for re-election. Board members are elected at the annual general meeting, or where the Board has appointed to fill a casual vacancy they are ratified at the annual general meeting.

In the period covered by this report, the board had been appointed by Birmingham City Council to establish the business, and were therefore appointed as Interim Board Members. Their term was as interim board members until the Society was established, with the formal appointment of board members within the rules beginning at the first annual general meeting.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Co-operative and Community Benefit Societies Act 2014 requires the Directors to prepare financial statements for each financial year. 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 Society and of the incoming resources and application of resources, including the income and expenditure, of the Society for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 Society will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Directors, on 24 September 2018 and signed on their behalf by:

Karen Creavin, Chief Executive Officer
Director

THE ACTIVE WELLBEING SOCIETY LIMITED

(A charitable community benefit society)

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT TO THE MEMBERS ON THE
UNAUDITED ACCOUNTS OF THE ACTIVE WELLBEING SOCIETY LIMITED**

FOR THE PERIOD ENDED 31 MARCH 2018

We report on the accounts for the period ended 31 March 2018 set out on pages 6 to 13.

Respective responsibilities of the board of directors and the independent reporting accountant

The society's board of directors is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the revenue account and balance sheet for the period ended 31 March 2018 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the period ended 31 March 2018 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

MHA MacIntyre Hudson

Reporting Accountants
Statutory Auditor
Rutland House
148 Edmund Street
Birmingham B3 2FD

Date: 24 September 2018

THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 2018**

| | Note | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ |
|---|-------|------------------------------------|----------------------------------|-----------------------------|
| INCOME FROM: | | | | |
| Donations and legacies | 2 | 200,000 | 20,000 | 220,000 |
| Other trading activities | | 400 | - | 400 |
| TOTAL INCOME | | 200,400 | 20,000 | 220,400 |
| EXPENDITURE ON: | | | | |
| Charitable activities | 3,4,5 | 147,047 | 20,000 | 167,047 |
| TOTAL EXPENDITURE | | 147,047 | 20,000 | 167,047 |
| NET BEFORE OTHER RECOGNISED GAINS AND LOSSES | | 53,353 | - | 53,353 |
| NET MOVEMENT IN FUNDS | | 53,353 | - | 53,353 |
| RECONCILIATION OF FUNDS: | | | | |
| Share capital issued | | 60 | - | 60 |
| SHARE CAPITAL ISSUED | | 53,413 | - | 53,413 |

The notes on pages 8 to 13 form part of these financial statements.

THE ACTIVE WELLBEING SOCIETY LIMITED
(A charitable community benefit society)
REGISTERED NUMBER: RS007595

BALANCE SHEET
AS AT 31 MARCH 2018

| | Note | £ | 2018 £ |
|---|------|-----------------|----------------------|
| CURRENT ASSETS | | | |
| Debtors | 8 | 18,564 | |
| Cash at bank and in hand | | 68,556 | |
| | | <u>87,120</u> | |
| CREDITORS: amounts falling due within one year | 9 | <u>(33,707)</u> | |
| NET CURRENT ASSETS | | | <u>53,413</u> |
| NET ASSETS | | | <u>53,413</u> |
| CHARITY FUNDS | | | |
| Unrestricted funds | 10 | | <u>53,413</u> |
| TOTAL FUNDS | | | <u><u>53,413</u></u> |

The Directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Directors on 24 September 2018 and signed on their behalf, by:

Karen Creavin, Chief Executive

Ifor Jones, Director

The notes on pages 8 to 13 form part of these financial statements.

THE ACTIVE WELLBEING SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 Co-operative and Community Benefit Societies Act 2014.

The Active Wellbeing Society Ltd 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.

1.2 Charity status

The Society is a community benefit society incorporated under the Co-operative and Community Benefit Societies Act 2014. The members of the Society are the Directors named on page 1. In the event of the Society being wound up, the liability in respect of the guarantee is limited to £10 per member of the Society.

1.3 Income

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Society and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Society's operations, including support costs and costs relating to the governance of the Society apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.6 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.8 Financial instruments

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Society 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 Society for particular purposes. The costs 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.

2. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ |
|--|--|--|---------------------------------------|
| Grants - Birmingham City Council | 200,000 | - | 200,000 |
| Grants - Department for Culture, Media and Sport | - | 20,000 | 20,000 |
| | <hr/> | <hr/> | <hr/> |
| Total donations and legacies | 200,000 | 20,000 | 220,000 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

3. DIRECT COSTS

| | Total funds 2018 £ |
|-------------|---------------------------------------|
| Consultancy | 101,867 |

4. SUPPORT COSTS

| | Total funds 2018 £ |
|--------------------------|---------------------------------------|
| Premises cost | 3,208 |
| Office costs | 930 |
| Recruitment and training | 3,000 |
| Bank charges | 37 |
| Wages and salaries | 23,571 |
| National insurance | 2,971 |
| | 33,717 |

5. GOVERNANCE COSTS

| | Total funds 2018 £ |
|-----------------------------|---------------------------------------|
| Independent examiner's fees | 2,100 |
| Legal and professional fees | 29,363 |
| | 31,463 |

6. NET INCOME

This is stated after charging:

| | Period 31 March 2018 £ |
|------------------|---|
| Accountancy fees | 2,100 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

7. STAFF COSTS

Staff costs were as follows:

| | Period 31 March 2018 £ |
|-----------------------|---|
| Wages and salaries | 23,571 |
| Social security costs | 2,971 |
| | <hr/> |
| | 26,542 |
| | <hr/> <hr/> |

The average number of persons employed by the Society during the period was as follows:

| Period 31 March 2018 No. |
|---|
| 0.25 |

No employee received remuneration amounting to more than £60,000 in the period.

Key management personnel are the directors (most of whom hold a non-executive voluntary position), the Chief Executive, Deputy Chief Executive and Director of Partnerships and Fundraising. The aggregate remuneration of key management personnel in the period, inclusive of employer national insurance was £26,542.

8. DEBTORS

| | 2018 £ |
|----------------------------------|-------------------|
| Called up share capital not paid | 60 |
| Prepayments | 2,600 |
| Grants receivable | 15,904 |
| | <hr/> |
| | 18,564 |
| | <hr/> <hr/> |

9. CREDITORS: Amounts falling due within one year

| | 2018 £ |
|------------------------------------|-------------------|
| Other taxation and social security | 11,069 |
| Other creditors | 500 |
| Accruals | 22,138 |
| | <hr/> |
| | 33,707 |
| | <hr/> <hr/> |

THE ACTIVE WELLBEING SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

10. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT PERIOD

| | Share capital issued £ | Income £ | Expenditure £ | Balance at 31 March 2018 £ |
|--|---------------------------------|----------------|------------------|-------------------------------------|
| Unrestricted funds | | | | |
| General funds | - | 200,400 | (147,047) | 53,353 |
| Share capital | 60 | - | - | 60 |
| | <u>60</u> | <u>200,400</u> | <u>(147,047)</u> | <u>53,413</u> |
| Restricted funds | | | | |
| Department for Digital, Culture, Media and Sport ("DCMS") | - | 20,000 | (20,000) | - |
| Total of funds | <u>60</u> | <u>220,400</u> | <u>(167,047)</u> | <u>53,413</u> |

Funds received from the DCMS were to be applied for the purposes of the establishment and set up of the Society.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Current assets | 85,500 | 1,620 | 87,120 |
| Creditors due within one year | (32,087) | (1,620) | (33,707) |
| | <u>53,413</u> | <u>-</u> | <u>53,413</u> |

THE ACTIVE WELLBEING SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

12. OPERATING LEASE COMMITMENTS

At 31 March 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

| | 2018 |
|-------------------------|---------------|
| | £ |
| Amounts payable: | |
| Within 1 year | 15,600 |

13. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.