



# **The Active Wellbeing Society**

Annual Report and Audited Accounts 2019/20





---

## Contents

<b>Reference &amp; Administrative details</b>	1
<b>Reflection from our Chief Executive</b>	2
<b>Strategic Report:</b>	
<b>Objectives, Activities, Achievements, Performance</b>	
<i>Our Vision &amp; Mission</i>	3
<i>Overview of the year</i>	6
<i>People, Places and Power</i>	7
<i>Responding to Need</i>	14
<i>Healthy Communities</i>	19
<b>Finance Review</b>	23
<b>Structure, Governance, Management</b>	25
<b>Independent Auditors Report and Financial Statements</b>	29

## Reference and Administrative details

### MEMBERS

L Trickett	Dr C Coombes - passed away August 2019
K Creavin	I Jones
S Rose	J Cornett
D Cox	S Porter

### TRUSTEES

L Trickett - Chair	re-appointed 24 September 2018
D Cox	re-appointed 24 September 2018
I Jones	resigned 24 September 2019
J Cornett	re-appointed 24 September 2018
S Porter	re-appointed 24 September 2018
K Ford	reappointed 24 September 2019
Dr C Coombes	passed away August 2019
J Warmington	co-opted 11 November 2019
N Fisher	co-opted 11 November 2019
A Lassman	co-opted 11 November 2019
S Maddock	co-opted 11 March 2020

Company Secretary	R Barrow
Chief Executive	K Creavin
Director of Active Communities	S Rose

Director of Funding & Resources	A Birch - appointed Oct 2019
Director of Knowledge & Insight	S Keung - appointed Oct 2019
Director of Healthy Communities	M Howard - appointed Oct 2019
Interim Head of Human Resources	J Hatton
Head of Memberships and Citizen Services	V Donaldson
Active Communities Programme Manager	P Slatter
Head of Community Interventions and Tools	P Moore

### PRINCIPLE AND REGISTERED OFFICE

The Active Wellbeing Society  
Studio 309  
The Custard Factory  
Gibb Street  
Birmingham  
B9 4AA

### INDEPENDENT AUDITOR

UHY Hacker Young (Birmingham) LLP  
9-11 Vittoria Street  
Birmingham  
B1 3ND

### COMMUNITY BENEFIT SOCIETY REGISTRATION NUMBER

RS 007595

### HMRC CHARITY REFERENCE NUMBER

0114262542



2019/2020 has been a difficult year, ending with unprecedented uncertainty and insecurity with the global Covid Pandemic. While the bulk of the year wasn't concerned with the pandemic, the impact of it and the sustaining damage that the disease and the economic downturn will cast a long shadow over the entire year.

**The main achievements for us as an organisation were:**

- Stepping purposefully into the food poverty sector with our community cafes, Holiday Hunger programme during the summer holidays, as well as the food parcel work during the early Covid response;
- Embedding our work on the LDP and bringing to life, along with the communities and our partners, the vision and purpose of active communities as places where people can be active as citizens and also more physically active;
- Making the argument for working with communities on what matters most to them, building on the lived experience;
- Demonstrating what role empathy has in the way we work;
- Bringing to life the insight and awareness that we have from robust data capture. Showing the sector how to embed solid data capture into delivery on the ground.

Karen Creavin  
Chief Executive

## Our Vision

Our vision is for a society where people have the autonomy, capacity, resources and skills to become the architects of their own destiny; where our individual wellbeing is recognised as being bound up in our collective responsibility to and dependency on each other; and where all of us feel empowered as agents of social change to make a difference – whether at an individual level or more widely.

Our capacity to thrive as happy, healthy people is predicated on our ability to create a fairer, more just society by disrupting the balance of power that allows for such great disparities to persist between us.

Health inequalities don't exist in isolation, they are symptomatic of wider structural inequalities and require a systematic and holistic response that goes beyond individual lifestyle interventions and speaks to the reality of everyday life. There is much to be learnt from the communities we work with in Birmingham who have often found ways to persevere in times of uncertainty, insecurity and injustice.



Happy, Healthy  
Communities  
Living Active and  
Connected Lives

Inequality impacts on all of us as insecurities about social status and survival cause communities to break down and retreat, choosing instead to focus on individualised responses to wider social issues. The withdrawal of our social safety net exacerbates feelings of isolation and loneliness, erodes our resilience and leaves us all more vulnerable to being left behind.

We want to work together, with partners and communities, to rebuild the social fabric that is so damaged by inequality and instead create the conditions for a society where we can all thrive.

**Our Objectives**



**Increasing community participation**

by enabling people to be active citizens where they live through volunteering, physical activity and other positive activities



**Making best use of community assets**

and promoting investment in environmental improvement



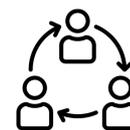
**Reducing health inequalities**

associated with the negative impact of poverty on both physical and mental wellbeing



**Building social cohesion**

and increasing community capacity, in particular by increasing participation by under-represented groups, such as ethnic minorities and families in poverty



**Delivering through collaboration**

with individuals, organisations and communities to deliver interventions to make people more active



**Carrying out research**

and strategic policy development for public health and wellbeing



**Facilitating more active travel**

through non-motorised means such as walking and cycling



**Leading and influencing practice and policy**

sharing our learning and expertise with partners, policy makers and decision makers



**Providing more opportunities to be physically active**

to help create stronger, healthier and more resilient communities

## Our Mission

By working collaboratively with communities we aim to bring about sustainable change on a social, environmental and economic level; to do the social knitting required to create stronger and more resilient communities and to support communities to identify, mitigate and remove the barriers that prevent them from living active and connected lives.

Our approach is grounded in principles of 'working with' and not 'doing to', we listen, provoke, disrupt and learn from the communities that we are trying to engage and co-produce solutions to challenges that we might otherwise fail to even identify.

We use the power of insight and lived experience to influence policy and effect change, facilitating greater levels of democratic engagement through participatory approaches, innovation and community development. We work to reduce social distance and increase the visibility of underrepresented groups across all our interventions.

Our work involves utilising a range of interventions to improve outcomes for communities that are often left behind. We are guided by the principles of proportionate universalism - providing a wide offer of free and accessible activities and interventions but deliberately designing and targeting them to attract footfall from those most burdened by the weight of inequality.

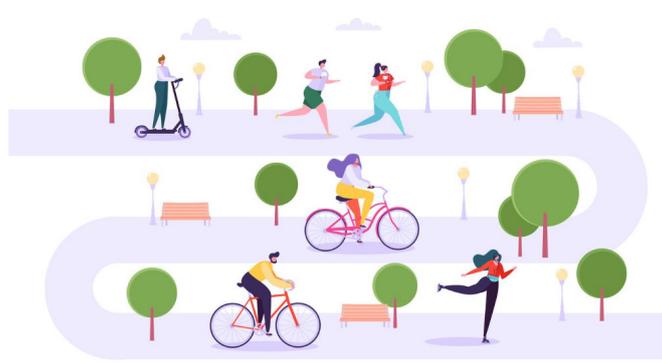
We have developed a core offer of interventions that enable us to reach deeply into communities, build trusted relationships and tackle inequality through collective wellbeing.

We recognise the need for new, innovative and creative approaches to engage audiences that often go unheard and unreached in typical health and wellbeing programming. By delivering on the doorstep of communities who often feel excluded from traditional provision we are able to facilitate a different conversation that centres the needs and aspirations of the communities we work with and empowers them to be agents of social change.



Doing the social  
knitting required to  
created stronger  
and more resilient  
communities

2019/20 overview



**130,121**

Outdoor attendances



**5,160**

Active Streets attendances

**103** Active Streets closures



**3,117**

Big Feed attendances



**64,051**

Active Parks attendances



**13,138**

Big Bike Project attendances



**12,897**

Holistic Interventions attendances



**17,772**

Big Run Project attendances



**Places, People and Power**



Happy, Healthy Communities can take many forms. From residential streets to whole neighbourhoods, running groups to cycling clubs. Being in community, together, and working collectively toward a shared goal can have a transformative impact on our own individual wellbeing.

This year, we've worked with 130,121 people through a wide range of projects and interventions, designed and delivered with communities to meet their needs.

We've seen neighbours connect for the first time through Active Streets, groups of people learn to cycle with the Big Bike Project, and volunteers get involved with running activities or helping out at community cafés.

Through all these projects we've seen how important it is to listen to communities and understand what they need. We've worked together to address the barriers that often stop people from getting involved, and as a result we've been privileged to see what can happen when communities step into their power.



## Razia's Story- Active Streets, Perry Barr

Razia and her family live on a no-through-road where children never played outside, and her neighbours didn't really know one another. It wasn't until she began playing out on the street with her children and teaching them to ride bikes that she began to chat to her neighbours.

She got to know an elderly neighbour, Martha, who lived alone and didn't have any close family or friends.

**"We befriended her and the more time we spent outside I realised that, wow, I'm speaking to a load of neighbours that I never knew existed."**

As Martha's 90th birthday approached Razia was keen to do something special for her to mark the occasion. She got in touch with the Active Streets team and decided to throw a surprise party with the help of her neighbours on the street.

On the day of the closure everyone came out to join in the celebrations, people brought food and socialised and children were able to play together on the street. Since then Active Streets have helped to organise 6 more closures.

"A lot more neighbours, who looked out their window before, as each party goes on, a lot more people will come out. The lovely thing is, we will approach them and get everyone involved. You always have clusters of people getting to know each other".

Active Streets have helped the neighbours become a community, rather than just people living on the same street - and being more connected has had a big impact on the community during Covid-19.

**"The street party helped us connect as a community, now we're on lockdown the street are on WhatsApp asking if people need anything."**



## **Khalda's Story**- *Big Bike Project, Sparkhill*

Busy Mum of four, Khalda, joined the cycling group at Calthorpe Park after hearing about it from a friend. She decided to go as long as she was concerned about her health and felt immediately welcomed.

"I'm Muslim and I don't dress appropriately for riding a bike. There was no prejudice. You don't feel uncomfortable. Everybody is welcome."

Before joining the group Khalda had never felt confident enough to cycle on the road, but with the support of her peers, and ride leader Keith, she now enjoys going for a bike ride at least 3 times a week.

**"The overall biggest difference I found was on my mental wellbeing. This is because of the relationships we make with other riders, the feeling of community and the sense of belonging to a brilliant group of different individuals but all with a keen interest to cycle".**

In February 2020, Khalda participated in the St Mary's Hospice 75km Ride the Reservoir event, in Worcestershire.



---

Strategic report- Objectives, Activities, Achievements, Performance

## Places, People and Power



Our understanding of place-based communities deepened through the introduction of a 'cluster' model which allowed us to form trusted relationships with local partners, and broker power and resources to enable communities to be agents of change within their areas.

As part of the Active Communities programme, we've been developing community networks in 6 priority areas across Birmingham and North Solihull. These networks serve as forums for local people to come together and get involved in their area. In some parts of the city there were already groups stepping into this space, and we were able to work alongside them as the trusted source, in other areas we are working with local people to build a new kind of community infrastructure from the ground up.

Partnership working has remained key to our success this year, and we've continued to strengthen our relationships with longstanding partnerships, while also building more connections across the sub-region.





**"I really like the team that we've been working with at TAWS...They really listened to where we felt we were going and what the community want"**

*Brian, Yardley Wood Baptist Church*

**"Staff are caring and always willing to listen... putting into action what they see and hear to be the barriers within sectors of the community to join communities together and overcome those barriers turning the negatives into positives."**

*Sameera, Migrant Help*



## **Bano's Story**- *Active Citizen, Hay Mills*

Bano met TAWS back in 2017 when she joined a female-only run group at Hobmoor. Originally from Pakistan, Bano moved to Birmingham 10 years ago and struggled to understand the culture and language here. After taking courses at her local community centre she decided she wanted to give something back to the community support other women in her local area.

Over time, Bano became an active citizen in her community- someone other people knew and trusted. She encouraged more women in the local area to join the run group at Hobmoor, and even became a walk leader herself.

"I am a people person, a community person. I'll bring people from the community and give them a chance to get involved, give them suggestions. It's another way to be active, to have someone to talk to."

Bano has also started working with Active Streets to improve her local area, including through gardening, painting and organising activities. Being an active citizen in her local community has helped Bano to develop her confidence and feel ambitious about what else might possible through working together.



**"It was all about the confidence. I felt more and more things could happen."**

## **Daniel's Story** - *Run Birmingham, Edgbaston*

Daniel joined the running group at Edgbaston Reservoir because he wanted to work on his fitness, but it was the group that kept him motivated to keep coming.

**“One of the main motivations was to get fit and everyone that goes there just makes you feel so welcome. You feel so much appreciation. It’s like a family. It’s not about how fast you go, you’re all in it together.”**

Through the running group Daniel has been able to develop his confidence and interact with people from lots of different backgrounds – he’s now become a volunteer Marshall and has even completed a half marathon.

“Before I started running, I was very unmotivated and could be shy around new people. I started running with Great Run Local on Sundays at Edgbaston Reservoir and my life has completely changed. I have loads of confidence, I even volunteer as a Marshall on a Sunday. I’ve made so many friends through running and achieved so much...Normally I’m quite quiet but since going running I’ve come out of my shell a lot more, you don’t even realise. Before, I wouldn’t talk to a big group, but I would now.”



**Responding to need**



A key principle of our work with communities is to always start where the need is. Across the city, in schools and with communities, we teach children and young people to cycle through Bikeability. But many of these young people aren't able to develop their cycling skills outside of school because they don't have access to a bike.

Working with partners including HSBC UK and British Cycling, we launched children's bike banks this year which make children's bikes available on long-term loan to families in the most deprived parts of the city. The scheme allows families to borrow bikes for their children and exchange them in as they grow.

This initiative is just one way that we're working with communities to encourage sharing.

**"It's easy to forget that a lot of kids simply don't have access to a bike, and schemes like this help to break down these barriers and ensure that cycling is something that can be enjoyed by all, no matter your background"**

*Shanaze Reade, Olympian and cycling world champion & West Midlands Cycling and Walking Ambassador*



Increasingly in Birmingham, and in communities around the country, food poverty is becoming a pressing need as more and more people are unable to feed themselves and their families.

Working in partnership with more than 69 organisations across the city, we delivered a free holiday food and activity programme in the summer of 2019 aimed at children and young people entitled to free school meals.

*Together we delivered:*

**153 holiday clubs  
activity sessions for 90,270 children,  
including 5,426 attendances from children  
with Special Educational Needs (SEN)**

The scale of the challenge in Birmingham required a citywide response from partner organisations – from children’s centres and faith groups to community organisations and sports clubs. We all worked together to deliver the Happy Healthy Holidays programme.

*Across Birmingham:*

**13,665 young people took part in the scheme  
69% of them were aged 10 or under  
29% were 11-16-year olds**



**“It got our daughter active and was a good break from the screen time...The fact that it was free made it possible for our daughter to attend as most other camps are prohibitively expensive.” Parent**



TAWS was the largest provider involved in the scheme, running a total of 26 holiday clubs across the city in partnership with schools, sports clubs, and community groups. We hired and trained a cohort of 234 summer staff to deliver the programme, many of them young people from the same communities they were working in.

**2,800 young people**  
**12,403 attendances**  
**91% IMD Q1 & 2**



**'There is no doubt there was a need for the food. We got mothers coming in, it gave some of the mother's a chance to come in and eat themselves, you could see they would feed the children before themselves. They were in very difficult situations and we helped to provide that lifeline over the summer.'**

*Sam, Activity Coordinator*

**Responding to need**

**“The chance to mix with other people is really nice and lifts your mood”**



In the autumn we launched the Big Feed Project – a community food initiative borne from our longstanding partnership with The Real Junk Food Project Brum. The project started as a response to the high levels of food poverty we saw in the city – including during the summer holiday programme – but it also has a much a wider impact on community wellbeing.

Throughout the year we worked in partnership with community venues and faith groups to launch 5 community café’s across Birmingham. These cafés have served as places for families and vulnerable people to come together, to eat, volunteer and build a sense of community in their local area.

## **Jo's Story** - Community Cafe volunteer, Kings Heath

After four years of being a full time carer for her mum, Jo felt it was time to reconnect with other people. "I knew I needed to do something for me. I'm a sociable person and decided to do some volunteering where I was in contact with people."

Jo started volunteering at one of TAWS' Big Feed Café's, in partnership with The Real Junk Food Project Brum, and has been able to reconnect and feel part of a community.

"I really enjoy working within teams, I know how important that is for me. When I was caring that's quite isolating and quite lonely so to be suddenly in the midst of a bustling happy community, it's a really nice reminder of the importance of socialising."

Jo finds volunteering at the café incredibly rewarding, but she also understands how important the service is for other people,

**"I massively see the impact the cafés have on the people who use it. A lot of repeat people come every week, they come for the social side of it, they come for the food side of it, it's a real sense of support for them."**

Having lived in Kings Heath for over 20 years, Jo feels a lot more connected to the community as a result of volunteering, "I get a lot out of it socially. A whole new set of connections has opened up and I've met some really interesting people across all age ranges, diverse people, and you feel like you're doing something that helps in the community."



## **Julie's Story**- *Holistic Interventions, Solihull*

Julie lives in supported accommodation and had been having a difficult time on her own. She felt lonely and needed someone to talk to, someone to help her find something to do with her time. She went to her GP who referred to her a Link Worker.

Julie was unsure what to expect at first, she wasn't sure whether she would click with the Link Worker and felt quite shy. But when she met Erinn her mind was put at ease.

Erinn and Julie had a chat about Julie's interests, some of the activities she might like to try locally including a 'Knit and Natter' group.

"She pulled me socks up and said this is what I can do.... It was good to just get out and socialise."

Due to lockdown, Julie hasn't been able to go to the Knit and Natter group, but she's been keeping in touch with Erinn through weekly phone calls and their regular chats have helped Julie to manage her anxiety during this difficult time.

**"She gets my brain going. I think, 'I can't do this', then she makes me see I can."**



## Healthy Communities

In the last year we have developed closer working relationships with primary care providers through our Holistic Interventions project. Holistic Interventions is a workstream of Sport England's Active Communities programme, developed in partnership with Saheli Hub, that uses social prescribing to support those least likely to engage in both social and physical activity.

The project works with patients and practices to co-design approaches that support people to improve their health and wellbeing.

**Holistic Interventions worked with 1,887 individuals and had 12,897 attendances at activities**

**365 patients triaged**  
**93% from BME communities**  
**96% female**  
**92% quintiles 1 & 2**



---

Strategic report- Objectives, Activities, Achievements, Performance

## Healthy Communities



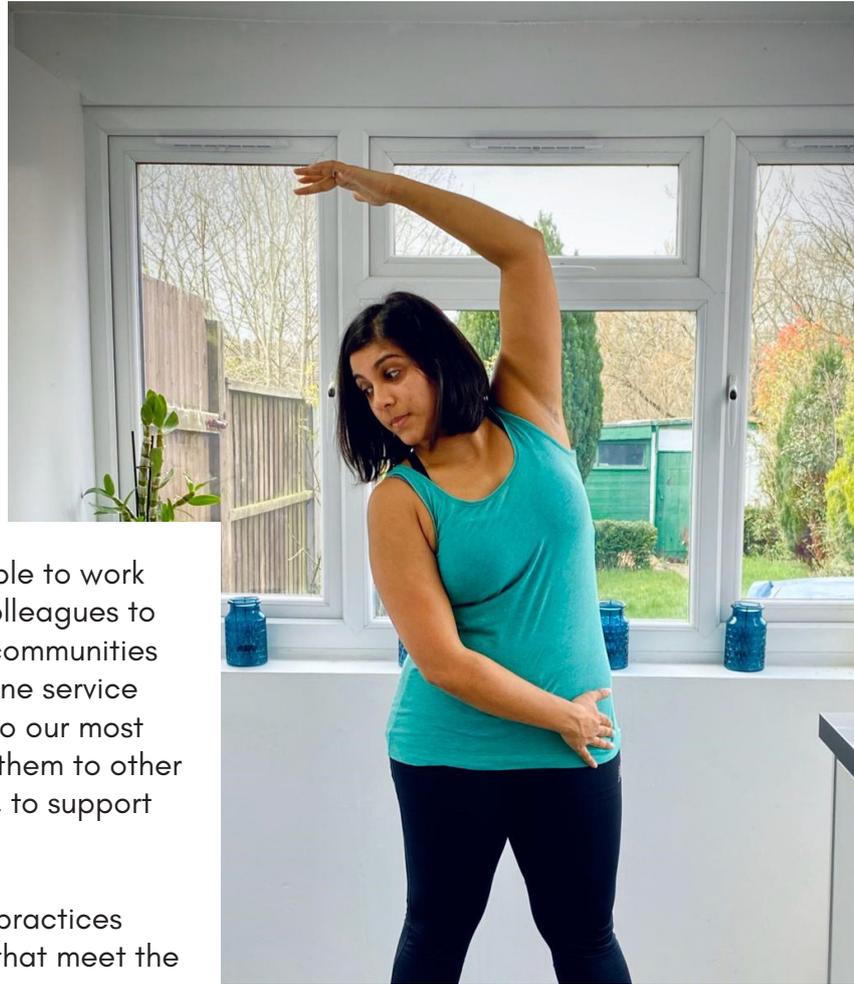
Building on the success of this project, TAWS has strengthened its delivery of social prescription services and aligned delivery with the emerging national policy framework for social prescribing.

Working within health settings has enabled us to reach and support vulnerable and isolated individuals, those with long term health conditions and 'pre-contemplators' who might not have thought about getting involved in the types of activity we're able to offer.

In autumn 2019, TAWS was commissioned to deliver social prescribing services for 9 Primary Care Networks in the city, covering nearly 50 practices, as part of the NHS England funded Social Prescribing Link Worker Service. We've built strong relationships with health colleagues including Our Health Partnership - one of the largest GP partnerships in the country and continue to work together to improve outcomes for patients in our communities.

As a delivery provider, we're also able to bring additional support to patients at triage and work with them to co-design new or additional activities based on demand.

**Healthy Communities**



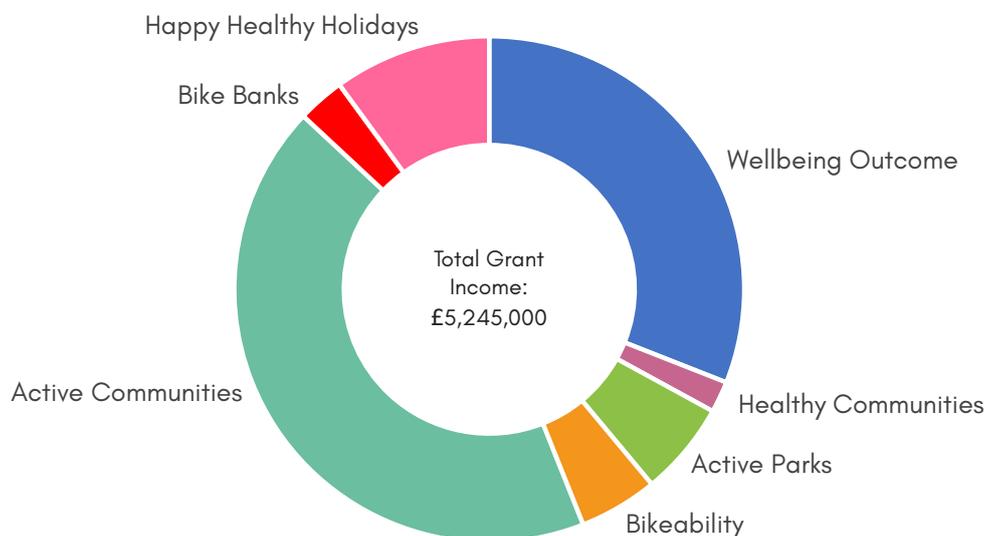
In March 2020, as Covid took hold, we were able to work closely with primary carers and wider health colleagues to adapt our model and continue to support our communities throughout lockdown. We developed a telephone service offering advice, guidance and a friendly chat to our most vulnerable patients and were able to signpost them to other services including TAWS' virtual wellbeing offer, to support people to live well at home and remain active.

Moving forward, we will continue to work with practices and health partners to co-design approaches that meet the needs of our communities and enable them to re-engage safely in our recovery from Covid.



Overview	Unrestricted Funds	Restricted General Funds	Total 2020	Total 2019
	£'000	£'000	£'000	£'000
<b>Total Income</b>	<b>53</b>	<b>5,245</b>	<b>5,298</b>	<b>2,649</b>
<b>Total Expenditure</b>	<b>15</b>	<b>5,080</b>	<b>5,095</b>	<b>2,916</b>
<b>Net income/(expenditure)</b>	<b>38</b>	<b>165</b>	<b>203</b>	<b>(267)</b>
<b>Actuarial gain/(loss) on defined benefit pension schemes</b>	-	<b>239</b>	<b>239</b>	<b>(28)</b>
<b>Net movement in funds</b>	<b>38</b>	<b>404</b>	<b>442</b>	<b>(295)</b>
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>	<b>25</b>	<b>(267)</b>	<b>(242)</b>	<b>53</b>
<b>Total funds carried forward</b>	<b>63</b>	<b>137</b>	<b>200</b>	<b>(242)</b>

The Active Wellbeing Society received £5,245,000 (2019 - £3,315,000 excluding £697,000 pension deficit transfer from Local Authority) in grant funding for the year to 31<sup>st</sup> March 2020 and generated £53,000 (2019 - £31,000) in support of our charitable objectives enabling us, in collaboration with our partners, to deliver activities that promote health and wellbeing and increase civic and community engagement. The grants received during the year ended 31<sup>st</sup> March 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial activities.



The increase in Income during the year, was attributable to the commencement of both the Active Communities 'Local Delivery Pilot' program and the 'Happy Healthy Holidays' program. As well as these two major areas of work, The Society also positively increased uptake of the Bikeability program across the city along with the introduction of the HSBC Bike Banks Scheme, which focused on lending bikes to children who would otherwise be unable to access a bike.

During the year, expenditure increased in line with income, relating primarily to increases in staffing and associated costs for the various programs. 64 additional staff were recruited during the year which took staff numbers from 39 to 103 at the end of the year. With this increase came the need to expand our office space which resulted in increased facilities costs.

### **Financial and Risk Management Objectives and Policies**

The Society's financial and risk management objectives are documented in its:

- official budgets
- scheme of delegation
- financial regulations
- risk management policy

These documents are available on request, and particular items which warrant specific disclosure are noted within this annual report.

### **Financial Position**

The net asset value of the Society at 31 March 2020 was £838,000 of which £775,000 related to restricted funds and £63,000 unrestricted funds (2019 - £580,000 of which £555,000 related to restricted funds and £25,000 unrestricted funds)

### **Reserves Policy**

The trustees review the reserve levels of the Society annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of reserves should be up to one month's expenditure. Any surplus reserves built up by the Society are earmarked for future financial years to support the advancement of our charitable objectives over the medium term.

Reserves at 31<sup>st</sup> March 2020 excluding the LGPS pension deficit attributable to the local authority were £897,000 (2019: £455,446 **see note 26**)

### **Investment Policy**

All investments are made in accordance with the policy of the society. The society's policy on investments is one of minimal risk with all investment's being held with the Society's bankers. The Society will nevertheless seek to maximise interest receipts within this arrangement. Investments are made with regard to Charity Commission guidance in relation to investments.

## Overview

The Active Wellbeing Society Limited (TAWS) is a 'community benefit society' established under the Cooperatives & Community Benefit Societies Act 2014 and is recognised by the Inland Revenue as an exempt charity. We were registered on 10th July 2017 and you can find us on the Companies House website under RS007595. We are registered with and regulated by the Mutuels Team at the Financial Conduct Authority. You can find our entry on the Mutuels Public Register at <https://mutuals.fca.org.uk/>. Our purpose is to carry out business for the benefit of the community, we are part of the cooperative movement and is aligned with the international cooperative principles.

We are a new membership organisation on a journey to a participative governance structure. Our Membership model will offer citizens who support our purpose and values the opportunity to be part of a democratic organisation with an equal vote and a say in how the society is run. This model will place members at the heart of our organisation and enables us to work in a way which is collaborative with our communities, providing a one member one vote model to make decisions democratically and ensure that what we offer is always of the time, inclusive and relevant.

Members will have access to information, a voice in the Society and the opportunity to play a representative role in its governance. Members have the right to hold the Board to account for their performance and can do this through the Annual General Meeting held in September each year, or through a Special General Meeting.

Our structure also means that an asset lock is in place. This ensures that our investment and services are maintained and cannot be for private benefit.

## **Our Board**

Our trustees have overall responsibility for the management of the organisation and act as representatives or 'agents' of TAWS to take decisions, make purchases, delegate functions and enter into contracts on its behalf in line with our Rules, as a community benefit society, and the general law.

The Board is comprised of up to 12, though not less than 4, members and they have determined that Executive Directors should also be members of the Board ex officio – provided that the majority of the Board's membership is made up of non-executive and independent directors. Board members (excepting Executive Directors) are elected for an initial 3-year term in accordance with the procedure laid out in our Rules.

TAWS' day to day management is entrusted to the Chief Executive and executive directors to deliver in accordance with the strategy, policies and budget approved by the Board. An appropriate system for urgent action exists where, if in the best interests of the Society, a decision can be taken outside the delegation framework.

## **Public Benefit Statement**

As a community benefit society with charitable objects, Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, and supplementary public benefit guidance on advancing health and saving lives in setting the aims and objectives of the Society and in our planning activities.

## **Pay Policy for Senior Staff**

Trustees review the pay of senior staff annually by benchmarking against pay levels in peer organisations of a similar size. The remuneration benchmark is the mid-point of the range for similar roles.

## Principal Risks and uncertainties

Trustees regularly review a register of the major risks to which The Active Wellbeing Society is exposed as part of our Finance, Audit and Risk (FAR) sub-committee. Systems and financial insurances are in place to mitigate any risks as far as possible within the practice and financial constraints of the Society. The FAR sub-committee monitors and reviews these arrangements and reports to the Board on their effectiveness. At the time of this report, the Society's key risks are:

- the risk of achievement in core activities being below expectations;
- loss of personal and sensitive information;
- changes to rules and regulations;
- the risk of national and local funding reductions; and
- the future financial position of the Local Government Pension Scheme

Mitigating actions, both current and planned, have been identified to address these risks. This is also true of all other risks that have been formally identified which have a lower impact and/or likelihood.

## Statement of Board's Responsibilities

The Board are responsible for preparing the Report of the Trustees and financial statements in accordance with applicable law and regulations. The Cooperative and Community Benefit Societies Act 2014, and the law applicable to societies in England and Wales, requires Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1st January 2015). Under the Cooperative and Community Benefit Societies Act 2014, the Trustees must now approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society, the incoming resources and application of resources, including the 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 methods and principles in the Charities Statements of Recommended Practice (SORP 2019);
- make judgements and estimate which are reasonable and prudent;
- state whether applicable 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 appropriate to presume that the charitable community benefit society will not continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable community benefit society's transactions and disclose with reasonable accuracy at any time the financial statements comply with the Cooperative and Community Benefit Societies Act 2014 and the Charities Act 2011. They are also responsible for safeguarding the assets of the community benefit society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Going Concern**

After making appropriate enquiries, the Board have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting policies.

### **Auditors**

In so far as the trustees are aware:

- there is no relevant audit information of which the community benefit society's auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting. The Trustees' Report incorporating a strategic report was approved by the board, as the trustees on 30th September 2020 and signed on their behalf by:

.....  
**L Trickett**  
**Chair of Trustees**

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2020**

### **Opinion**

We have audited the financial statements of The Active Wellbeing Society Limited (the 'society') for the year ended 31 March 2020 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Section 87 of the Co-operative and Community Benefit Societies Act 2014.

This report is made solely to the society's members, as a body, in accordance with the Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed. In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 March 2019, and of its 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 Section 87 of the Co-operative and Community Benefit Societies Act 2014

### **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 society 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' and directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees and directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the society'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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

### **Other Information**

The board are responsible for the other information. The other information comprises the information included in the trustees' 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, 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 respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the society has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Board**

As explained more fully in the report of the Board's responsibilities statement set out on page 30, the trustees 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 society'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 society 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

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

- 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 society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the boards' 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 society'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 society 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.

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.

.....  
**UHY Hacker Young (Birmingham) LLP**

**Statutory Auditor**

**9-11 Vittoria Street**

**Birmingham**

**B1 3ND**

**30 September 2020**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020**

(Including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>Income from:</b>					
Donations and capital grants					
Transfer from local authority	2, 25 & 26	-	-	-	(697)
Charitable activities:					
- Funding for advancing health and community development	3	-	5,245	5,245	3,315
Other trading activities	4	49	-	49	30
Investment income	5	4	-	4	1
<b>Total</b>		<b>53</b>	<b>5,245</b>	<b>5,298</b>	<b>2,649</b>
<b>Expenditure on:</b>					
Raising funds	6	5	-	5	-
Charitable activities:					
- Advancing health and community development	6 & 7	10	5,080	5,090	2,916
<b>Total</b>	7	<b>15</b>	<b>5,080</b>	<b>5,095</b>	<b>2,916</b>
<b>Net income/(expenditure)</b>		<b>38</b>	<b>165</b>	<b>203</b>	<b>(267)</b>
Transfers between funds	15	-	-	-	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	25 & 26	-	239	239	(28)
<b>Net movement in funds</b>		<b>38</b>	<b>404</b>	<b>442</b>	<b>(295)</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>	16	<b>25</b>	<b>(267)</b>	<b>(242)</b>	<b>53</b>
<b>Total funds carried forward</b>	16	<b>63</b>	<b>137</b>	<b>200</b>	<b>(242)</b>

All of the Society's activities derive from incoming resources, resources expended and net movements in funds arising from continuing operations during the above two financial periods.

**BALANCE SHEET AS AT 31 MARCH 2020**

	Note	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Tangible assets	11	<u>78</u>	<u>25</u>
		<u>78</u>	<u>25</u>
<b>Current assets</b>			
Debtors	12	784	184
Cash at bank and in hand		<u>863</u>	<u>1,037</u>
		<u>1,647</u>	<u>1,221</u>
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	13	<u>(387)</u>	<u>(166)</u>
<b>Net current assets</b>		<u>1,260</u>	<u>1,055</u>
<b>Total assets less current liabilities</b>		<u>1,338</u>	<u>1,080</u>
Creditors: Amounts falling due after more than one year	14	(500)	(500)
<b>Net assets excluding pension liability</b>		<u>838</u>	<u>580</u>
Defined benefit pension scheme liability	25 & 26	(638)	(822)
<b>Total net (liabilities)/assets</b>		<u><u>200</u></u>	<u><u>(242)</u></u>
<b>Capital and reserves</b>			
Share capital	24	-	-
<b>Restricted funds</b>			
- Restricted income fund	15	775	555
- Pension reserve	15	<u>(638)</u>	<u>(822)</u>
<b>Total restricted funds</b>		<u>137</u>	<u>(267)</u>
<b>Unrestricted income fund</b>	15	<u>63</u>	<u>25</u>
<b>Total unrestricted funds</b>		<u>63</u>	<u>25</u>
<b>Total funds surplus/(deficit)</b>		<u><u>200</u></u>	<u><u>(242)</u></u>

The financial statements on pages 32 to 52 were approved by the board and authorised for issue on 30 September 2020 and signed on their behalf by:

.....  
**L Trickett**  
**Chair of Trustees**

.....  
**R Barrow**  
**Secretary**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £'000	2019 £'000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	(96)	498
Cash flows from investing activities	20	(78)	(30)
Cash flows from financing activities	21	-	500
Change in cash and cash equivalents in the reporting period		<u>(174)</u>	<u>968</u>
Cash and cash equivalents at 1 April	22	1,037	69
Cash and cash equivalents at 31 March	22	<u>863</u>	<u>1,037</u>

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 1 Statement of Accounting Policies

A summary of principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

#### Basis of Preparation

The financial statements of the Society, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Charities Act 2011 and the Co-operative and Community Benefit Societies Act 2014.

The Active Wellbeing Society meets the definition of a public benefit entity under FRS 102.

#### Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Society has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Society's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

All incoming resources are recognised when the Society has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in creditors; amounts falling due within one year in deferred income.

- **Sponsorship income**

Sponsorship income provided to the Society which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Society has provided the goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Cont'd)**

● **Donated goods, facilities and services (continued)**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Society's accounting policies.

**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, and depreciation charges allocated on the portion of the asset's use.

● **Expenditure on Raising Funds**

This includes all expenditure incurred by the Society to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

● **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

**Tangible Fixed Assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Vehicles	25% straight line
Furniture and Equipment	25% straight line
Mobile Equipment Computers & Software	33.33% straight line
Bicycles	50% straight line

---

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Cont'd)**

**Tangible Fixed Assets (continued)**

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

**Leased assets**

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

**Financial Instruments**

The Society only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Society and their measurement basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

*Cash at bank* - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in note 13 and 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**Taxation**

The Society 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 Society 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.

**Pensions Benefits**

Retirement benefits to employees of the Society are provided by the Local Government Pension Scheme ('LGPS') and by auto enrollment. The LGPS is a defined benefit scheme and auto enrollment is a defined contribution scheme.

The LGPS is a funded scheme and the assets are held separately from those of the Society in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of the scheme introductions, benefit changes, settlements and curtailments.

They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

---

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (Cont'd)**

**Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Society at the discretion of the trustees. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from various Local Authorities, Government Bodies and Private sponsors including; Sport England.

**Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in notes 25 and 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 March 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgement**

The critical judgements that the Trustees have made in the process of applying the Society's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**
**2 DONATIONS AND CAPITAL GRANTS**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
LGPS transfer from local authority	-	-	-	(697)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(697)</u>

The income from donations and capital grants comprised a deficit LGPS transfer from the local authority £Nil (2019 : £697,000) of which £Nil (2019 : £nil) was unrestricted and £Nil (2019 : £697,000) was restricted.

**3 FUNDING FOR ADVANCING HEALTH AND COMMUNITY DEVELOPMENT**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>Government grants</b>				
Wellbeing Outcome grant	-	1,627	1,627	1,620
Bikeability grant	-	285	285	141
Deliberative Democracy grant	-	-	-	48
Active Communities grant	<u>-</u>	<u>2,282</u>	<u>2,282</u>	<u>1,131</u>
	<u>-</u>	<u>4,194</u>	<u>4,194</u>	<u>2,940</u>
<b>Private sponsorship grants</b>				
Active Park Delivery grant	-	300	300	375
Bike Banks grant	-	123	123	-
Happy Healthy Holidays grant	<u>-</u>	<u>531</u>	<u>531</u>	<u>-</u>
	<u>-</u>	<u>954</u>	<u>954</u>	<u>375</u>
<b>Other income from the Society's health and community operations</b>				
Healthy Communities	<u>-</u>	<u>97</u>	<u>97</u>	<u>-</u>
	<u>-</u>	<u>97</u>	<u>97</u>	<u>-</u>
	<u>-</u>	<u>5,245</u>	<u>5,245</u>	<u>3,315</u>

The income from the Society's health and community operations was restricted for both 2020 and 2019.

**4 OTHER TRADING ACTIVITIES**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Other Income	<u>49</u>	<u>-</u>	<u>49</u>	<u>30</u>
	<u>-</u>	<u>-</u>	<u>49</u>	<u>30</u>

The income from the Society's other trading activities was unrestricted for both 2020 and 2019.

**5 INVESTMENT INCOME**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000	Total 2019 £'000
Bank interest received	<u>4</u>	<u>-</u>	<u>4</u>	<u>1</u>
	<u>4</u>	<u>-</u>	<u>4</u>	<u>1</u>

The income from the Society's investment income was unrestricted for both 2020 and 2019.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**
**6 EXPENDITURE**

	Staff Costs £'000	Non Pay Expenditure		Total 2020 £'000	Total 2019 £'000
		Premises £'000	Other Costs £'000		
Expenditure on raising funds					
- Direct costs	-	-	5	5	-
- Allocated support costs	-	-	-	-	-
Society's operations					
- Direct costs	1,495	-	1,492	2,987	1,545
- Allocated support costs	1,314	201	588	2,103	1,371
	<u>2,809</u>	<u>201</u>	<u>2,080</u>	<u>5,090</u>	<u>2,916</u>
	<u>2,809</u>	<u>201</u>	<u>2,085</u>	<u>5,095</u>	<u>2,916</u>

The expenditure was £5,094,500 (2019 : £2,915,700) of which £15,457 (2019 : £5,839) was unrestricted and £5,079,043 (2019 : £2,909,861) restricted.

	Total 2020 £'000	Total 2019 £'000
<b>Net income/(expenditure) for the year includes:</b>		
Operating lease rentals	78	29
Depreciation	25	6
Fees payable to auditor for: - audit	10	8

**7 CHARITABLE ACTIVITIES**

	Total 2020 £'000	Total 2019 £'000
<b>Analysis of Direct Costs</b>		
Direct staff costs	1,495	689
Consultancy	466	520
External instructors	379	222
Other direct costs	647	114
	<u>2,987</u>	<u>1,545</u>

	Total 2020 £'000	Total 2019 £'000
<b>Analysis of Support Costs</b>		
Support staff costs	1,314	903
Recruitment and training	62	3
Depreciation	25	6
Premises costs	172	59
Technology costs	121	57
Motor and travel expenses	88	29
Advertising and Marketing	78	16
Postage and stationery	26	17
Insurance	7	6
Finance Costs	25	24
Telephone	17	8
Other support costs	41	77
Governance	127	166
	<u>2,103</u>	<u>1,371</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**8 STAFF COSTS**

	Total 2020 £'000	Total 2019 £'000
a Staff costs during the year were:		
Wages and salaries	2,357	991
Social security costs	200	91
Pension costs	182	204
	<u>2,739</u>	<u>1,286</u>
Agency staff costs	33	306
Staff restructuring costs	37	-
	<u>2,809</u>	<u>1,592</u>
Staff restructuring costs comprise:		
Redundancy payments	37	-
	<u>37</u>	<u>-</u>

**b Redundancy payments**

Included in staff restructuring costs is £36,859 (2019 : £Nil) redundancy payments. Individually the payments were for £13,650 (24 July 2019), £8,234 (28 June 2019), £7,869 (26 April 2019) and £7,112 (31 July 2019).

**c Staff numbers**

The average number of persons (including senior management team) employed by the society during the year ended 31 March 2020 expressed as whole persons was as follows:

	Total 2020 No	Total 2019 No
<b>Charitable Activities</b>		
Management	39	10
Administration and support	64	29
	<u>103</u>	<u>39</u>

**d Higher paid staff**

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

	Total 2020 No	Total 2019 No
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

**e Key management personnel**

The key management of the Society comprise the trustees, directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Society was £344,835 (2019 : £211,070).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**
**9 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

The trustees did not receive any payments, other than expenses, from the Society in respect of their role as trustees.

During the year ended 31 March 2020 there were £Nil (2019: £nil) in travel and subsistence expenses reimbursed to the trustees in their role as trustees.

Other related party transactions including trustees are set out in note 27.

**10 TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the society has purchased insurance to protect trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on society business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

**11 TANGIBLE FIXED ASSETS**

	Furniture & Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>				
At 1 April 2019	1	30	-	31
Additions	6	63	13	82
Disposals	-	-	-	-
At 31 March 2020	<u>7</u>	<u>93</u>	<u>13</u>	<u>113</u>
<b>Depreciation</b>				
At 1 April 2019	-	6	-	6
Charged in year	1	25	3	29
Disposals	-	-	-	-
At 31 March 2020	<u>1</u>	<u>31</u>	<u>3</u>	<u>35</u>
<b>Net book value</b>				
At 31 March 2020	<u>6</u>	<u>62</u>	<u>10</u>	<u>78</u>
At 31 March 2019	<u>1</u>	<u>24</u>	<u>-</u>	<u>25</u>
			<b>2020</b>	<b>2019</b>
<b>12 DEBTORS</b>			<b>£'000</b>	<b>£'000</b>
Trade debtors			200	8
Other debtors			12	4
Prepayments and accrued income			572	172
			<u>784</u>	<u>184</u>
<b>13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			<b>2020</b>	<b>2019</b>
			<b>£'000</b>	<b>£'000</b>
Trade creditors			122	-
Taxes and social security			63	32
Other creditors			67	21
Accruals			135	113
			<u>387</u>	<u>166</u>
<b>14 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR</b>			<b>2020</b>	<b>2019</b>
			<b>£'000</b>	<b>£'000</b>
Loan			<u>500</u>	<u>500</u>

On 17 April 2018 the Society took out an unsecured loan of £500,000 at an interest rate of 5% per annum repayable by 31 March 2023. There are no interim fixed dates of repayment.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)****15 FUNDS**

The income funds of the Society comprise the following balances of grants to be applied for specific purposes:

	Balance at 1 April 2019	Incoming Resources	Resources Expended	Gains, Losses & Transfers	Balance at 31 March 2020
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
Wellbeing Outcome fund (note i)	462	1,627	(1,363)	-	726
Bikeability grant (note ii)	-	285	(241)	-	44
Active Parks Delivery fund (note iii)	33	300	(328)	-	5
Deliberative Democracy (note iv)	35	-	(35)	-	-
Active Communities (note v)	25	2,282	(2,307)	-	-
Bike Banks (note vii)	-	123	(123)	-	-
Happy Healthy Holidays (note viii)	-	531	(531)	-	-
Healthy Communities (note ix)	-	97	(97)	-	-
	<u>555</u>	<u>5,245</u>	<u>(5,025)</u>	<u>-</u>	<u>775</u>
<b>Restricted pension scheme liability</b>					
Pension reserve (note vi)	(822)	-	(55)	239	(638)
	<u>(822)</u>	<u>-</u>	<u>(55)</u>	<u>239</u>	<u>(638)</u>
<b>Total restricted funds</b>	<b>(267)</b>	<b>5,245</b>	<b>(5,080)</b>	<b>239</b>	<b>137</b>
<b>Unrestricted funds</b>					
Unrestricted funds	25	53	(15)	-	63
<b>Total unrestricted funds</b>	<u>25</u>	<u>53</u>	<u>(15)</u>	<u>-</u>	<u>63</u>
<b>Total funds</b>	<u><b>(242)</b></u>	<u><b>5,298</b></u>	<u><b>(5,095)</b></u>	<u><b>239</b></u>	<u><b>200</b></u>

**Notes**

- i) The Wellbeing outcome fund has been used for advancing health and saving lives for residents within Birmingham.
- ii) Bikeability funding has been used to provide the Bikeability programme to children across Birmingham.
- iii) Park Lives funding has been used to provide activities in parks across Birmingham.
- iv) Deliberative democracy grant has been used for specific work around community capacity building at a specific ward in Birmingham.
- v) Active Communities grant has been used to support collaborative working and innovation, including the delivery of place-based community building, using social, civic and physical activity.
- vi) The pension reserve represents the deficit on the Local Government Pension Scheme (see note 25).
- vii) Bike Banks grant has funded children's bike loan scheme providing recycled and refurbished bikes to children and families across the city on loan, for free.
- viii) Happy Healthy Holidays has funded a citywide programme of free holiday activities and food for school children across Birmingham.
- ix) Healthy Communities funding has been used for a social prescribing link worker service commissioned by 9 Primary Care Networks in Birmingham.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**
**15 FUNDS (cont'd)**

Comparative information in respect of the preceding period is as follows:

	Balance at 1 April 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 March 2019 £'000
<b>Restricted general funds</b>	<b>53</b>	<b>1,620</b>	<b>(1,211)</b>	<b>-</b>	<b>462</b>
Wellbeing Outcome fund (note i)	53	1,620	(1,211)	-	462
Dep't for Digital, Culture, Media and Sport	-	141	(141)	-	-
Bikeability grant (note ii)	-	375	(342)	-	33
Active Parks Delivery fund (note iii)	-	48	(13)	-	35
	-	1,131	(1,106)	-	25
	<b>53</b>	<b>3,315</b>	<b>(2,813)</b>	<b>-</b>	<b>555</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xiii)	-	(697)	(97)	(28)	(822)
	-	(697)	(97)	(28)	(822)
<b>Total restricted funds</b>	<b>53</b>	<b>2,618</b>	<b>(2,910)</b>	<b>(28)</b>	<b>(267)</b>
<b>Unrestricted funds</b>					
Unrestricted funds (notes xi and xii)	-	31	(6)	-	25
<b>Total unrestricted funds</b>	<b>-</b>	<b>31</b>	<b>(6)</b>	<b>-</b>	<b>25</b>
<b>Total funds</b>	<b>53</b>	<b>2,649</b>	<b>(2,916)</b>	<b>(28)</b>	<b>(242)</b>

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 March 2020 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restrictive Funds £'000	Total £'000
Tangible fixed assets	15	-	63	78
Current assets	48	-	1,599	1,647
Current liabilities	-	-	(387)	(387)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(638)	-	(638)
	<b>63</b>	<b>(638)</b>	<b>775</b>	<b>200</b>

Comparative information in respect of the preceding period is as follows:

Fund balances at 31 March 2019 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restrictive Funds £'000	Total £'000
Tangible fixed assets	25	-	-	25
Current assets	-	-	1,221	1,221
Current liabilities	-	-	(166)	(166)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(822)	-	(822)
	<b>25</b>	<b>(822)</b>	<b>555</b>	<b>(242)</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

<b>17 CAPITAL COMMITMENTS</b>	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by trustees, but not yet contracted	<u>Nil</u>	<u>Nil</u>
<b>18 COMMITMENTS UNDER OPERATING LEASES</b>		
<b><i>Operating leases</i></b>		
At 31 March 2020 the total of the Society's future minimum lease payments under non-cancellable operating leases was:		
	<b>2020</b>	<b>2019</b>
	<b>Land &amp; Buildings</b>	<b>Land &amp; Buildings</b>
	<b>£'000</b>	<b>£'000</b>
Operating leases	£'000	£'000
- Within one year	78	47
- Within two to five years	10	56
	<u>88</u>	<u>103</u>
<b>19 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	203	(267)
Adjusted for:		
Depreciation (note 11)	29	6
LGPS deficit transferred from local authority	-	697
Interest receivable	(4)	(1)
Defined benefit pension scheme cost less contributions payable (note 25)	34	83
Defined benefit pension scheme finance cost (note 25)	21	14
Increase in debtors	(600)	(166)
Increase in creditors	221	132
<b>Net cash (used in)/provided by operating activities</b>	<u>(96)</u>	<u>498</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)****20 CASH FLOWS FROM INVESTING ACTIVITIES**

	2020 £'000	2019 £'000
Interest received	4	1
Purchase of tangible fixed assets	(82)	(31)
Capital grants from government	-	-
Capital funding received from sponsors and others	-	-
Receipts from sale of tangible fixed assets	-	-
<b>Net cash used in investing activities</b>	<b>(78)</b>	<b>(30)</b>

**21 CASH FLOWS FROM FINANCING ACTIVITIES**

Repayments of borrowing	-	-
Cash inflows from new borrowing	-	500
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>500</b>

**22 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	At 31 Mar 2020 £'000	At 31 Mar 2019 £'000
Cash in hand and at bank	863	1,037
<b>Total cash and cash equivalents</b>	<b>863</b>	<b>1,037</b>

**23 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 2019 £'000	Cash flows £'000	Other non- cash changes £'000	At 31 March 2020 £'000
Cash in hand and at bank	1,037	(174)	-	863
	1,037	(174)	-	863
Debt due after one year	(500)	25	(25)	(500)
<b>Total</b>	<b>537</b>	<b>(149)</b>	<b>(25)</b>	<b>363</b>

**24 SHARE CAPITAL AND MEMBERS' LIABILITY**

Each member of the charitable society undertakes to contribute to the assets of the society in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member. The share capital of the society is £60 (2019:£60)

**25 PENSION AND SIMILAR OBLIGATIONS**

The Society's employees belong to two principal pension schemes: the Local Government Pension Scheme (LGPS) for staff which is managed by West Midlands Pension Fund and an auto enrolment pension scheme. The Local Government Pension Scheme is a defined multi employer benefit scheme and the auto enrolment pension scheme is a defined contribution scheme.

Following the transfer of employees from the local authority, Birmingham City Council, to the Society on 1 July 2018 there was a transfer of employers LGPS liabilities of £697,000 under Transfer of Undertakings (Protection of Employment) Regulations 2006.

The total pension cost to the Society during the year ended 31 March 2020 was £182,020 (2019: £204,000) of which £100,000 (2019 : £164,000) relates to the LGPS and £82,020 (2019: £40,000) relates to the auto enrolment pension scheme .

The pension costs of the LGPS are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the LGPS is at 31 March 2016.

Contributions amounting to £16,379 (2019: £13,755) were payable to the LGPS scheme £1,885 (2019: £8,902) and NEST scheme £14,494 (2019: £4,853) at 31 March 2020 and are included within creditors.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**25 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 March 2020 was £113,000 (2019: £185,000) of which employers contributions totalled £100,000 (2019: £164,000) and employees contributions totalled £13,000 (2019: £21,000). The agreed contributions for future years are 19.2% (2020: 20.9%) for employers and 5.8% to 8.5% (2019: 5.8% to 8.5%) for employees.

**Principal Actuarial Assumptions**

The major assumptions used by the actuary were:

	<b>At 31 March 2020 % per annum</b>	<b>At 31 March 2019 % per annum</b>
Discount rate	2.4%	2.5%
Salary increases	2.8%	3.9%
Pension increase	1.8%	2.4%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	<b>At 31 March 2020 Approx £'000</b>	<b>At 31 March 2019 Approx £'000</b>
Discount rate reduced by 0.1% per annum	75	172
Assumed pension increased by 0.1% per annum	71	172
Salary growth increased by 0.1% per annum	73	167

The mortality assumptions used were as follows:

	<b>2020 years</b>	<b>2019 years</b>
Longevity at age 65 retiring today		
- Men	21.9	20.9
- Women	24.1	23.2
Longevity at age 65 retiring in 20 years		
- Men	23.8	22.6
- Women	26.0	25.0

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**25 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

**Local Government Pension Scheme (cont'd)**

The Society's share of the assets in the scheme were:

	Fair value at 31 March 2020 £'000	Fair value at 31 March 2019 £'000
Equity instruments	784	841
Debt instruments	218	164
Property	122	130
Cash	49	76
Other	204	241
<b>Total market value of assets</b>	<b>1,377</b>	<b>1,452</b>
<b>Present value of scheme liabilities</b>		
- Funded	(1,377)	(1,452)
- Unfunded	(638)	(822)
<b>Total liabilities</b>	<b>(2,015)</b>	<b>(2,274)</b>
<b>Deficit in the scheme</b>	<b>(638)</b>	<b>(822)</b>

The actual return on the scheme assets in the year was £59,000 (2019: £99,000).

**Amounts recognised in the Statement of Financial Activities**

	2020 £'000	2019 £'000
Current service cost	79	113
Interest income	(35)	(26)
Interest cost	56	40
Past service cost	-	37
<b>Total operating charge</b>	<b>100</b>	<b>164</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)****25 PENSION AND SIMILAR OBLIGATIONS (Continued)**

	2020 £'000	2019 £'000
<b>Movement in deficit during the period</b>		
Balance at 1 April 2019	822	
Transfer from local authority at 1 July 2018	-	697
Movement in year:		
- Employer service cost (net of employee contributions)	79	113
- Employer contributions	(45)	(67)
- Expected return on scheme assets	(35)	(26)
- Interest cost	56	40
- Past service cost	-	37
- Actuarial (gains)/losses	(239)	28
<b>Deficit in the scheme at 31 March 2020</b>	<b>638</b>	<b>822</b>
<b>Changes in the present value of defined benefit obligations were as follows:</b>		
	2020 £'000	2019 £'000
Balance at 1 April 2019	2,274	
Transfer from local authority at 1 July 2018	-	1,962
Current service cost	79	113
Interest cost	56	40
Contributions by scheme participants	13	21
Benefits paid	(4)	-
Past service cost	-	37
Actuarial (gains)/losses	(403)	101
<b>Scheme liabilities at 31 March 2020</b>	<b>2,015</b>	<b>2,274</b>
<b>Changes in the fair value of society's share of scheme assets:</b>		
	2020 £'000	2019 £'000
Balance at 1 April 2019	1,452	
Transfer from local authority at 1 July 2018	-	1,265
Expected return on scheme assets	35	26
Actuarial (losses)/gains	(164)	73
Contributions by employer	45	67
Benefits paid	(4)	-
Contributions by scheme participants	13	21
<b>Fair value of scheme assets at 31 March 2020</b>	<b>1,377</b>	<b>1,452</b>

The estimated value of employers contributions for the year ended 31 March 2021 is £48,000 (2020 : £93,000)

---

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**26 PENSION FUNDING**

In accordance with the Admission Agreement to participate in the Local Government Pension scheme following the transfer of employees from the local authority, Birmingham City Council, to the Society on 1 July 2018 there was a transfer of employers LGPS liabilities of £697,000 under Transfer of Undertakings (Protection of Employment) Regulations 2006. Birmingham City Council however, have agreed that any liabilities relating to the Scheme membership prior to the Commencement Date of the Eligible Employees listed in the Schedule are 100% funded (as determined by the Actuary in accordance with the actuarial assumptions consistent with the most recent actuarial valuation of the Fund before the Commencement Date (updated to the Commencement Date as necessary)). Where any additional funding (as certified by the Actuary) is necessary, this shall be deducted from the Scheme Employer's notional allocation of assets within the Fund. For the avoidance of doubt, 100% funded shall mean that the Admission Body shall be notionally allocated at the Commencement Date an amount of assets within the Fund equal to the value placed on the liabilities as at the Commencement Date as determined by the Actuary.

The effect of the paragraph above within the Admission Agreement is that when employees are transferred to the Society, West Midlands Pension Fund will assess whether there is a deficit relating to the funding of the scheme for those employees. If the scheme is in deficit, being 100% funded means that the Society are not responsible for the deficit that has arisen before taking on those employees.

However, the Society will take on the liabilities relating to those employees, which can change over time. The Society will be responsible therefore for any changes to the deficit that arise from the commencement of the contract in relation to those past service liabilities.

**27 RELATED PARTY TRANSACTIONS**

Owing to the nature of the Society's operations and the composition of the board being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Society's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account:

J Warmington, a trustee of The Active Wellbeing Society Limited, is also the CEO of B:RAP Ltd. The transactions totalled £62,190 (2019: £Nil). £26,035 (2019: £Nil) was outstanding at 31 March 2020.

All transactions were conducted at arm's length, in accordance with The Active Wellbeing Society Limited's normal procurement procedures and with Charities SORP 2019 (FRS 102).

---

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**28 EVENTS AFTER THE END OF THE REPORTING PERIOD**

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. By January 2020 the UK had started to see its first cases of the virus, SARS-CoV-2, and resulting disease, COVID-19.

These events have been unprecedented and are requiring urgent re-evaluation at all levels of society, and this work is by no means done. No one is clear what the future holds, with a looming economic crisis hard on the heels of the impact of the Covid virus that has devastatingly wreaked havoc through all our communities, impacting on the most deprived the hardest.

The Active Wellbeing Society was working pre Covid to improve the wellbeing of our communities, especially those in the most need. This work had moved the organisation from a strict focus on physical activity back in the council, to a wider wellbeing model that worked within communities on an increasing agenda around active citizenship. We had moved the focus of our work beyond Birmingham boundaries, as well as also developing our work on system leadership and national influence.

Our work responding to the most immediate impact of the lockdown has focused on 4 main areas while we suspended areas of work that lockdown prevented us from delivering:

- Food donations for those in food poverty and need
- Befriending support and crisis advice, delivered mainly over the phone or in virtual support circles
- A virtual wellbeing offer being delivered digitally and aimed at supporting people through the initial phase of the lockdown
- Amplifying positive stories from communities, to communities

Our response to the initial Covid lockdown was informed from our earlier learning on initiatives like Healthy Happy Holidays, Brap Social Cohesion Report, Active Communities evaluation, and other projects that we have developed and refined, such as Big Birmingham Bikes, Big Feed community cafes, and Active Streets, as well as key learning from other partner organisations and initiatives that we have seen and been inspired by, such as Gloucester services, participatory city, NRF and NEON to name but

As the work during Covid continued, we also introduced early learning from our emerging projects like our 'Share Shacks' which has led to a new initiative- Wear and Share (getting clothes donations to those locked down and in need).

**Organisational restructure**

As a result of our work responding to the first wave of the virus, we have stepped into new areas of work that both continue our overall aim to support our communities to co create wellbeing solutions that improve lives and tackle inequalities, and also to influence the wider system from within. We have demonstrated networked, fast paced and responsive solutions to need as it emerges in our communities. We have also demonstrated continued, considerable influence and impact in the wider system that we work within.

In July 2020 the organisation made the difficult decision to undergo a restructure. It had become apparent early on that the services we were delivering were going to be heavily impacted, and in turn our workforce would not be able to continue in many of the roles they were doing. The new structure that we have realigned to is an attempt to embed our approach around collaborating and working with communities, the 'doing with' rather than the 'doing to'.

We have created a structure that should be Covid Flexible (that is that it can work both while we are under lock down in the way we have most recently demonstrated, as well as being able to work in a more open environment where small community gatherings are an option).

---

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 (cont'd)**

**28 EVENTS AFTER THE END OF THE REPORTING PERIOD (cont'd)**

We have reacted to our feedback loops and the lessons learnt from other initiatives that we have been delivering since the organisation was set up. We have also used this restructure to allow ourselves to 'catch up' with the growth we experienced in the last 12 months, expanding our central support services and building in the capacity to generate income and win new business through our trading company.

The promotion of three of our senior managers last year to directors, has given us further opportunities to develop new business areas. Significant progress is being made in these areas, and as a result the new structure also takes account of new business areas that are already bringing in some income that could be expanded, or new areas of work altogether- as we have seen during our Covid response.

Our aspirations for this restructure are to build in capacity to respond to new business opportunities, enhance our funding and strategy resources, add capacity into our corporate support services to enable them to offer services to outside organisations, and also to pump prime a few areas of business that we have successfully stepped into during this crisis while the funding stream for them follows.