



**The**  
**Active Wellbeing**  
**Society**

**Annual Report and Audited Accounts**  
**2020/21**

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## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>MEMBERS</b>	<b>104 members including:</b> <i>70 community members</i> <i>34 staff members</i> <i>9 organisations</i>
<b>NON-EXECUTIVE DIRECTORS</b>	L Trickett J Cornett S Porter K Ford
<b>INDEPENDENT DIRECTORS</b>	J Warmington D Cox
<b>CO-OPTED DIRECTORS</b>	N Fisher A Lassman S Maddox (resigned 30 <sup>th</sup> September 2020)
<b>COMPANY SECRETARY</b>	R Barrow
<b>CHIEF EXECUTIVE</b>	K Creavin
<b>DEPUTY CHIEF EXECUTIVE</b>	S Rose (resigned 24 <sup>th</sup> December 2020)
<b>DIRECTOR OF FUNDING &amp; RESOURCES</b>	A Birch
<b>DIRECTOR OF KNOWLEDGE &amp; INSIGHT</b>	S Keung
<b>DIRECTOR OF HEALTHY COMMUNITIES</b>	M Howard
<b>CBS REGISTERED NUMBER</b>	RS00 7595
<b>TRADING SUBSIDIARY</b>	Active Wellbeing Works Ltd.
<b>COMPANY NUMBER</b>	12618903
<b>REGISTERED OFFICE</b>	The Active Wellbeing Society Studio 309 Scott House, The Custard Factory Gibb Street Birmingham B9 4AA
<b>AUDITORS</b>	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND
<b>BANKERS</b>	Unity Trust Bank Nine Brindley Place Birmingham B1 2HB

## DIRECTORS REPORT

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The past 12 months have been a significantly challenging time for the communities we serve. We have stood shoulder to shoulder with our citizens while we all went through experiences related to the pandemic, that we never imagined in our lifetime.

Perhaps not surprisingly, as the crisis unfolded, it became clear that those in the most need were the ones bearing the brunt of the impact of Covid. While the whole world was impacted upon by the virus, in Britain we saw the impact of the deaths and infections, the food shortages and the disruption to services, impacting most significantly on those in the areas with the highest deprivation, and often the least resources to weather the storm with.

Lots of positive and affirming things happened for and within communities as a result of the pandemic. It brought out the best of humanity, making us all aware of the fragility of the privilege we may have, and making connection between us as humans more plausible, despite the reality of social distancing. But it also put pressure on already fragile lives and communities, it created more distance, threat, and fear for many in our communities, and still to this day in our country, we see people going to bed without enough food, with only the clothes they stand up in, with hard choices between new school uniform for the kids or food on the table, or heating for the flat... Britain hasn't become an easier place to live for many of those who were already struggling, and as we move into a more vaccinated future, the uncertainty and insecurity for many we serve is only amplified.

For organisations like ours, dependent on the quality of our staff and services, dependent on the understanding from funders for what is needed in our communities, working in partnership with other organisations, groups and individuals, there is a lot to be proud of in the last 12 months. We weathered a storm alongside our communities. We stayed put with them, we leant in and listened, and then played our part in speaking truth to power about what was needed. We have worked to join the system to more of itself, we are exploring the roles we have in distributing power to communities. Power to design and collaborate in new initiatives, power to solve and provide solutions based on the lived experience, and power to challenge privilege where we see it. We are working on ourselves, looking at ways to ensure we are activists, supporting the work on anti-racism. Working on empathy and courage, making sure we stand up and amplify the lived experiences of those with the least heard voices. Working on practical solutions with communities and individuals that support a just transition to an economy that works more for all communities and the planet, not just those benefitting from the myth of unlimited economic growth.

There are many people to thank and acknowledge after the year we have just had.

Firstly, we want to thank each and every person that stepped up and volunteered with us and all the other organisations across the country during this time of crisis. When many stepped back, they stepped in. Without them, our communities would not have been fed, or clothed, or supported in their time of need. From the Ola taxi drivers who delivered food packages to those in need, to the countless people who collected and sorted food and clothes to go into care packages, to the many that picked up a phone rota and called those who were isolated and scared, to those who stepped up and shopped and collected for others... without the valuable contribution of their time, people would have suffered so much more.

We want to thank all the partner organisations and groups that worked with us last year. We worked with people we have never worked with before, and all for a common aim of supporting those in need.

## DIRECTORS REPORT

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We showed that things can be done at pace and with precision, bypassing red tape and territorialism. We are unstoppable when we work together with a common goal.

We also, importantly, want to thank our funders. Without their quick thinking and flexible responses, we wouldn't have been able to come out of the gate with a plan as quickly as we did. There are organisations that should be proud, and individuals within those organisations that should feel very proud. Their courage in decision making around the use of our existing funding meant that people ate and got support. While they won't ever know who to thank, our citizens have you to thank for allowing us to pivot and provide new services that emerged in a time of crisis.

We want to thank our board for their time, guidance, and understanding of how to help lead us through this difficult year. They have been amazing stewards and custodians of our organization.

Finally, I want to thank our staff. They kept showing up and leaning in even when they were scared. The dedication of our workforce meant we were able to meet this new challenge head on, providing a seven day a week service to the communities that needed us. I have never been prouder of any organisation than I have been in than in the last 12 months. We didn't always get it right, we often didn't know if we were doing it right as it was all so new and emerging, but we stayed true to our values and faced our fears with the courage of those who know that the only way through the storm is to meet it head on. We worked together through the tears and laughter of the last 12 months, and have emerged into this year more tired, wiser, more humble, and better as a result. We have learnt things and let go of old ways that don't serve us anymore. We have learnt a lot about ourselves and are clear that there is so much we still have to learn about what a new society in this new reality is going to look like.

We will continue to work in deprived communities to support resilience, improve health and wellbeing, and work with citizens to create socially and physically active communities and individuals that are able to be the best versions of themselves. We will continue to try to understand how to distribute power and challenge inequalities. We will work towards an anti-racist city and society. We will continue to do our best. We are The Active Wellbeing Society.

## OUR VISION

THE ACTIVE WELLBEING SOCIETY (TAWS) WANTS TO SEE A WORLD WHERE EVERYONE HAS AUTONOMY, CAPACITY, RESOURCES AND SKILLS, AND WHERE THEY CAN BE ARCHITECTS OF THEIR COLLECTIVE DESTINY

We want a kind, inclusive society that removes barriers to participation; where inequalities and injustice are tackled so that people can live their best lives; where resources are shared according to need and where people can play a part in ensuring collective wellbeing needs are met. This includes the need for food, physical activity, and mental health. We will work collectively with citizens to support them to meet their own wellbeing needs and those of the others they live with and around.

## OUR MISSION

OUR MISSION IS TO IMPROVE WIDER WELLBEING FOR ALL, ESPECIALLY THOSE THAT ARE THE MOST VULNERABLE OR MOST DISADVANTAGED.

We support people to have the best health and wellbeing they can and to live happy and healthy lives. We are innovators and positive disruptors, grounded in communities, playing a part in creating a sustainable world, that benefits all. We empower communities, by working co-operatively with them to harness their potential and co-produce improvements in their resilience and wellbeing. We maximise opportunities to empower individuals to improve their wellbeing, by acting co-operatively to remove barriers and participate in a happy, healthy life.

We recognise that inequalities are highest where the need is the greatest, and that is often the result of systemic inequalities. We work to influence the system itself, through system leadership, to provide a deeper understanding of the issues and needs in communities, encouraging change and provide more appropriate responses to those needs. We work in Birmingham, the West Midlands and across the UK. Action to deliver our mission is informed by data, evidence, and best practice. This includes the five ways to wellbeing which is widely used and accepted.

## OUR VALUES

Our values are drawn from our direct practical experience of work to improve wellbeing, supported by a range of theories and perspectives focused on community and system level change. We are a cooperative organisation, and the values of cooperation are embodied in all that we do. During the last 12 months we have launched a Professional Development Review process based on the 3 values below, and all our staff receive regular supervision and reflection sessions to further reinforce a values-based working approach.

Our values fall under three headings:

1. **Open Mind:** Innovative, Influential, Entrepreneurial/Opportunity Aware, Grounded, Networked, Thought Leaders
2. **Open Heart:** Collaborative, Demonstrating Integrity, Inclusive, Honest, Passionate About Making a Difference
3. **Open Will:** Activist/Curious/Courageous, Empathic, Sustainable, Evidenced, Solution-Oriented, Co-Creation and Production.

These values form the core of our annual appraisal for staff and embedded in our planning processes, our performance framework, and the way we work throughout our delivery.

## OUR WORK

The Active Wellbeing Society is a community benefit society and cooperative working to build happy, healthy communities living active and connected lives. We work, predominantly, with communities in areas of high deprivation to tackle inequality and promote community wellbeing.

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.

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. In Birmingham, where we are based, inequalities are as pervasive as they are stark – with more than 40% of people living in the top 10% most deprived households in the country.

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 all can thrive.

## *Active Citizenship*

For years, interventions to improve health and wellbeing, and address inequalities haven't worked for our most vulnerable communities – despite significant investment in time and money. We recognise that approaches that rely on existing structures and ways of working will inevitably reflect the interests of those who currently hold power, and subsequently uphold the status quo. We want to work with communities to disrupt and shift the balance of power – enabling people to have more of a say over what happens in their areas and lives.

Those on the sharpest end of inequalities are usually the most powerless in the system, which can make it difficult to create change and ultimately exercise agency and free will. Our work with communities is based on a deep commitment to co-creation – working with, not doing to – and we see, time and again, the incredible change that is possible when communities are supported to step into their power.

Active Citizens feel more connected and more powerful – they have a greater sense of agency and self-efficacy; they feel more able to make a difference and be agents of social change. This shift in power can lead to increased activity, increased involvement, and more resilient communities.

Throughout all our work, we look to find ways to support people in our communities to take the lead – from organising street collections, delivering food or clothing parcels, leading running/cycling groups, and much more – over the last year we've worked with hundreds of volunteers who exemplify what it means to be an active citizen.



**195,000**  
unique  
engagements

**91% IMD 1 & 2**  
**70% Female**  
**43% BAME**

**2,511 bike**  
participants

- 82 bikes to Key Workers
- 97 bikes on prescription
- 62 cycle training sessions
- 124 Community Cycle Clubs
- 148 Led Rides
- 35 Bike Fix-It Cafés
- 19 Bikeability sessions



**21,742 calls**  
to Call  
Centre

**18,794**  
requests for  
Support

**104**  
co-op  
members

**66% Female**  
**24% BAME**

**153 walk/run**  
bubble sessions

**483 attendances**

**1,308**  
volunteers

**25,580 hours of**  
volunteering



**11,759**  
Community  
Café meals

**4,395 Big Feed**  
van meals



**172,626**  
food  
parcels

**80,000 toiletries**  
**35,471 cooked meals**  
**933 tonnes of food**



**6,183**  
tonnes of  
clothes

**2,336**  
recipients

**90 Share**  
Shack  
members

**2 Share Shacks**  
**67 loans**

### ***Cooperative***

As we work with communities, we see how often systems that are set up to help our most vulnerable communities, can actually create barriers and reinforce inequalities themselves. In our organisation, we are practicing new ways of navigating and distributing power, hearing all the voices – the mainstream and the marginal – as we work towards a more empathic and deliberative approach to democracy and decision-making.

Over the last year, we have been on a journey to create a more participative governance structure, enabling people in the communities we work with, as well as those who support our aims, to become members. Members play an important role for us, helping us to live up to our vision and mission, as well as our commitment to the cooperative values: self-help, self-responsibility, openness, democracy, equality, equity and solidarity.

### ***Place-Making***

The environments we live and work in have a big influence on how we feel and behave. Over the last year, we've seen how important space is for our health and wellbeing. In September 2020, Friends of the Earth released a report that confirmed what we could already see – that access to good quality green space is not evenly distributed within our communities, and those in areas with higher deprivation (which are often more densely populated) are missing out. We think everyone deserves to have access to good quality outdoor space – where they can play, exercise, chat, grow or just relax.

We work with communities and landowners (e.g., local councils, housing associations) to reimagine what the spaces around them could be like – from residential roads, to patches of disused land, parks to carparking spaces, and community gardens – and we work together to reclaim those spaces for community benefit,

making neighbourhoods feel cleaner, greener, and safer.

### ***Active Travel***

Walking and cycling are great ways to incorporate physical activity into our daily routines, reduce emissions and improve the safety of our communities. We know that the cost of a bike is often the biggest barrier preventing people from being able to cycle – so with the Big Bike Project we help people to access bikes through loans and giveaways, including providing adapted bikes, trikes and e-cargo bikes.

We also support people of all ages to learn to cycle through schemes like Bikeability and Learn to Ride. Throughout the pandemic we've seen increased interest in active travel and demand for more support from communities for more bikes. We're now working with GPs and social prescribers to make bikes available to patients on prescription and promote cycling to more people in our communities.

The success of the Big Bike Project has been recognised nationally, and we're working with local authorities across the country to share and promote our model.

### **Community Food**

Over the last year, we have seen the number of people experiencing food poverty across the city skyrocket, with people of all ages going hungry. As supermarket shelves emptied and many services shut their doors, we were concerned about the devastating impact Covid-19 would have on our most vulnerable communities. Working with partners across the city – from new mutual aid groups and grassroots community organisations to faith groups and housing associations – we established a citywide community food distribution network. We set up a distribution hub in the city (initially at a community centre and later at Aston Student Union), where we received, packaged, and distributed 933 tonnes of surplus food.

Distributing food parcels to people's doorsteps allowed us to check in and stay connected with people during a time of high anxiety and isolation. As restrictions began to ease, we changed the model to encourage people to gradually reconnect through local community food hubs and cafés. Connecting over food and eating together can have a really powerful impact on our wellbeing, our sense of belonging and trust, going forward we want to do more of this.

We need a better food system – one that works for everyone, and for the planet. We're working with communities to develop and embed alternative food models – shifting away from individualised behaviours and routines towards a more communal approach. Growing, cooking and eating together enables us to not only reduce food waste and ensure nobody goes hungry – but also to unlock a wide range of co-benefits from diet to mental health, social connections, support and access to opportunities.

### **Sharing**

Our communities are full of assets – people with skills, resources, time and knowhow – and throughout the last year, we have seen lots of goodwill from volunteers, but people aren't always sure where to go or how to help, while others aren't able to access the support they need. Our sharing projects bring people together to offer/access resources, skills and opportunities – helping to do the 'social knitting' within communities, that helps us all be more connected and resilient.

Sharing can help us reduce waste and protect the environment, while also bringing us together to connect and share resources, making sure that everyone has enough. We've been working with communities to develop Share Shacks in Balsall Heath and Ladywood.

Share Shacks are community spaces where people can borrow items, share skills, and build connections. Because of lockdown restrictions, these Share Shacks haven't been able to be fully open for the community – but we've found other ways to promote sharing, working together with communities and partners across the city.

Our Wear & Share project – set up as an emergency response to the pandemic received 6,183 tonnes of clothing donations, which were packaged up and distributed to 2,336 recipients by our staff and volunteers.

"When the virus struck and obviously the need for lockdown, The Active Wellbeing Society approached myself and the city council looking to change their remit to cope with what was likely to come up during the lockdown... Voluntary organisations right across the city have really stepped up, along with individual volunteers, and in many ways the crisis ironically has brought out the very best of Brummies."

- Councillor Ian Ward



14, 845 Befriending Calls

5,572 people supported

466 people supported through Listen & Connect

7 focus groups  
60 interviews

21 surveys with  
2,461 responses

9 Primary Care Networks



51 GP surgeries

380,000 patients

19 Funding Bulletins



1,203 Virtual Sessions



14 community groups supported with funding applications

987.5K minutes viewed



### ***Social Prescribing***

Following the government announcement in 2019 to increase access to social prescribing as part of the NHS Long Term Plan, TAWS began to work with GPs and health partnerships about developing a Link Worker service in Birmingham.

Not all health-related problems can be resolved by a medical prescription, 'social prescribing' offers an opportunity to look for social responses to issues patients often present to GPs with. For example, people experiencing high levels of stress, employment and debt issues, loneliness and isolation, or bereavement, can find it helpful to talk to someone who is trained to help them – and who can connect them with support networks within their community. Equally, those who suffer from health conditions connected to lifestyle issues, can often be better supported with a social and holistic response that looks at their wider wellbeing needs.

Over the last year, we've found new ways of connecting with and supporting patients across the 51 practices where we deliver our Social Prescribing Link Worker Service. These new approaches have ranged from 1:1 support over the phone, to virtual groups on Zoom – and even 'bubbling' activities in person, where restrictions have allowed. We've also been helping with the Covid-19 vaccine roll-out, partnering with GPs to support patients arriving at surgeries – particularly those who are anxious or have struggled with the impact of Covid-19 and isolation.

### ***Mental Health***

The pandemic, and subsequent lockdown restrictions have made our mental health crisis in the UK much worse. As people struggle to come to grips with their own experience during this time, we have already started to see an increased demand for mental health support, against a backdrop of services already feeling overstretched and under pressure. In March 2020, as social distancing was introduced, the way we worked with communities changed drastically. Our model of support was adapted from being predominantly face-to-face to operating virtually – online and over the phone.

We set up a Befriending service to offer support to those in our communities who might be in need of a 'friendly chat'. Many of those we spoke to were unable to meet their basic needs or felt they had nowhere to turn as services changed overnight. We were able to draw on our networks and delivery teams to respond, not only with emotional support, but also practical solutions – addressing the environmental factors that often undermine good mental health (e.g., lack of food or essential supplies, housing problems, bereavement, or domestic abuse).

This offer has now evolved into a new service area, 'Listen & Connect', which offers a listening ear along with practical solutions for those in need.

### ***Virtual***

We found new ways of connecting with our communities this year online. Our livestreams on Facebook and YouTube have taken us into people's homes, helping our virtual community to stay active through activities like Zumba, Tai Chi and Chair Based Exercise. Through our Sensory Walks and Wild Challenges, we've been able to introduce our communities to new areas and showcase some of the amazing green spaces that are available on our doorsteps. We've collaborated with artists and creators to turn our collective experiences into art, and to facilitate conversations around the pandemic.

We've also ran private zoom sessions for group activities - creating opportunities for connection between people with shared experiences including new mums, Carers, and people with specific health conditions.

We know that digital doesn't work for everyone – many people in our communities don't have the space or privacy to join in with our virtual sessions, and others don't have access to the devices or WiFi needed to connect. We're working with communities, and partners, to support digital inclusion – making tablets and laptops available on loan from our Share Shacks and facilitating courses to help people develop their confidence and skills. Connecting in person will always be an important part of our work, but over the last year we've seen how connecting online can help us reach new and different audiences, bring people together virtually who might otherwise never meet, and build community during a time of isolation.

### ***Research & Insight***

At the beginning of 2020, The Marmot Review: 10 Years On, presented some shocking (though perhaps not surprising) evidence that health inequalities across the country have grown in the last 10 years, and life expectancy has stalled. We know that, in order to tackle these widening and persistent health inequalities, a radical shift is needed.

Across all our work we endeavour to influence and improve the wider determinants of healthy by working with communities to identify and address the barriers, conditions or contexts which undermine good health and wellbeing. Our work is informed by NEF's '5 Ways to Wellbeing', and we take a holistic, person-centred approach to understand and respond to the needs of the most vulnerable in our communities.

We are committed to being grounded in the communities we serve, and evidence based. We use insight from our work on the ground to innovate with communities, developing new thinking and ways of working to improve wellbeing.

We also play this insight back into the system – highlighting barriers and uplifting the voices of our community.

## **FINANCE REVIEW**

### OVERVIEW

Throughout 2020/21, The Active Wellbeing Society showed up and pitched in – negotiating this period of crisis and heightened anxiety with bravery and integrity. We embraced our principles of staying with communities and responding to need. The last 12 months have tried and tested our risk management approaches, as well as refined the organisational understanding of our risk appetite. We held our nerve and worked to reflect back to the system what needed to change – we saw first-hand the need to pass risk up the system, rather than leave it for those struggling in our communities to hold.

We were supported to do this by our existing funders (including Sport England, Birmingham City Council and Our Health Partnership) along with some new ones (e.g., National Lottery Community Fund, DEFRA, BVSC) who understood the need to be flexible and brave in the face of uncertainty. We've learnt that we need to be brave with power, and support others to do the same.

We've built some incredible partnerships over the last year and worked together to achieve significant system change and impact. We're proud that we were able to play our part in supporting partners across the city to access resources and opportunities for their communities – from coordinating the city's community food response, providing administrative support and capacity, to bridging the gap between voluntary and statutory services. We are also grateful for the generosity and support of our partners, without whom we would never have been able to achieve the incredible reach and impact we have. The contribution of partners like Aston Villa Foundation, Aston University Student's Union, Changes UK and the Custard Factory, amongst others, won't be captured in our financial statements but they have made a significant contribution to our work this year by providing premises for our emergency response work.

We will continue to work with partners to show how the sharing and distribution of power and leadership, with priorities determined from the bottom-up, can really work to ensure that communities are supported, and that resilience is built

### FINANICAL POSITION

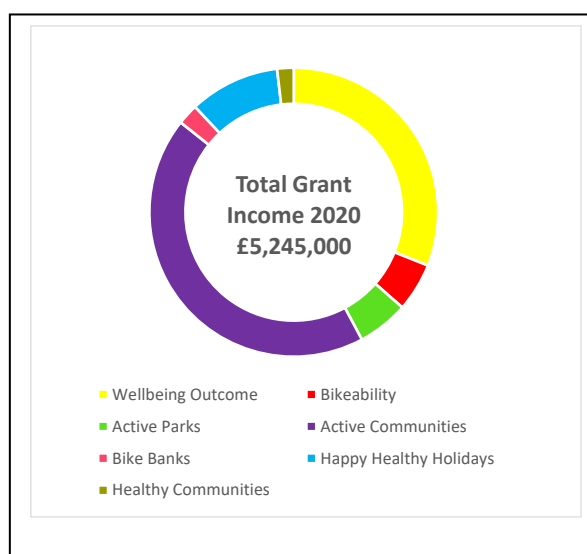
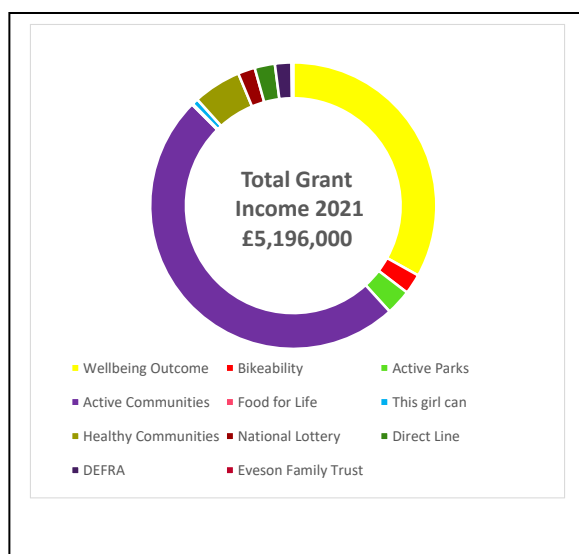
Our income is based predominantly on grant funding, though also includes a mix of contracted services and commissioned work. Prior to the Coronavirus outbreak, The Active Wellbeing Society were in a strong position financially, with an income for 2019/20 of approximately £4,800,000.

Covid has placed different pressures on our organisation, and at a time when the funding environment has become increasingly uncertain. In light of the impact of Covid, we rewrote our business plan in 2020 and reset expectations for the coming 5 years. We will continue to review the business plan annually, in line with our delivery and the funding landscape.

For the year to 31<sup>st</sup> March 2021, we received £5,196,000 in grant funding, and generated £258,000 in income, in support of our charitable objectives.

The net asset value of the Society at 31<sup>st</sup> March 2021 was £686,000 (2020-£838,000) of which £509,000 (2020-£775,000) related to restricted funds and £177,000 (2020-£63,000) unrestricted funds.

	Unrestricted Funds	Restricted General Funds	Total 2021	Total 2020
	£'000	£'000	£'000	£'000
<b>Total Income</b>	258	5,196	5,454	5,298
<b>Total Expenditure</b>	144	5,477	5,621	5,095
<b>Net Income/(expenditure)</b>	114	(281)	(167)	203
<b>Actuarial gain/(loss) on defined benefit pension schemes</b>		(680)	(680)	239
<b>Net movement in funds</b>	114	(961)	(847)	442
<b>Reconciliation of funds</b>				
<b>Total fund brought forward</b>	63	137	200	(242)
<b>Total funds carried forward</b>	177	(824)	(647)	200



## RESERVES POLICY

Our trustees review the reserve levels of the Society annually and have agreed an approach of retaining up to 3 months running costs in reserves in the event of any requirement to suddenly close the business. The board takes a regular review of the levels of reserves, through the work of the Budget, Audit and Governance committee. The review encompasses the nature of the income and expenditure schemes, the need to match income and commitments and the levels of actual reserves. Any surplus built up by the Society is earmarked for future financial years to support the advancement of our charitable objectives over the medium term.



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## **STRUCTURE, GOVERNANCE, MANAGEMENT**

### OVERVIEW

The Active Wellbeing Society (TAWS) is a community benefit society and cooperative established under the Cooperatives & Community Benefit Societies Act 2014 and is recognised by HMRC as an exempt charity. We were registered on 10<sup>th</sup> 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 primary governing document are our Rules, which set out our purpose and how the Society works. The Rules, originally written in May 2017, when the Society was first established, were amended, and agreed by TAWS members in October 2019. You can access a copy of our rules here: <https://theaws.co.uk/wp-content/uploads/2020/01/TAWS-Rules-Oct-2019-Web.pdf>

### MEMBERS

We are a membership organisation seeking to develop a more participative governance structure. Our Membership model has started to offer citizens who support our purpose and values the opportunity to be part of a democratic organisation with a say in how the Society is run. This model puts 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 have access to information, a voice in the Society and the opportunity to play a representative role in its governance.

### DIRECTORATES

Our organisational growth, and the impact of the Coronavirus pandemic on our work, led to us reviewing our business plan and organisational structure in 2020. We introduced a new directorate structure with directorates corresponding to our main work areas and priorities. These included: Active Communities, Healthy Communities, Food Justice/Community Food, Community Insight and Research, and Funding and Resources. Each directorate is led by a director who is responsible for developing and implementing an annual plan and budget, in line with our business plan. These plans are reviewed regularly and inform the management and planning cycles of the Society, as part of our organisational operational framework.

### OUR BOARD

Our trustees have overall responsibility for the management of the organisation and take decisions, authorise 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 the Chief Executive should also be a member of the Board ex officio. Board members (excepting the CEO) are elected for an initial 3-year term in accordance with the procedure laid out in our Rules. They can then serve a further 3-year term, within the confines of the rules of the organisation.

The board has two standing sub-committees with approved terms of reference. These are the Staff and Delivery subcommittee (SAD), and the Budgets, Audit and Governance subcommittee (BAG). The terms of reference have within them the delegated authority for actions as agreed by the full board.

TAWS' day to day management is entrusted to the Chief Executive and the 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 the supplementary public benefit guidance on advancing health and saving lives in setting the aims and objectives of the Society and in planning our activities.

#### PAY POLICY FOR STAFF

Trustees review the pay of staff annually by benchmarking against pay levels in peer organisations of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles. The organisation is striving to pay at the median point of the sector and has made a commitment to pay the Real Living Wage. We regularly undertake analysis on gender and ethnicity pay levels and are committed to eradicating structural inequalities in pay and grading within the organisation.

#### PRINCIPAL RISKS AND UNCERTAINTIES

Trustees regularly review a register of the major risks to which the Society is exposed, as part of our Budget, Audit and Governance subcommittee (BAG). Systems and financial insurances are in place to mitigate against any risks as far as possible within the practice and financial constraints of the Society. The BAG sub-committee monitors and reviews these arrangements and reports to the Board on their effectiveness. At the time of the report, the Society's key risks that are being closely managed include:

- The risk of achievement in core activities being below expectations
- Loss of personal or 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. We have a range of mechanisms in place for managing risk, and these are regularly reviewed by the senior management team and overseen with regular reporting to the board.

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.

### STATEMENT OF BOARD'S RESPONSIBILITIES

The Board are responsible for preparing the Trustees' Annual Report and Accounts 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, 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 1<sup>st</sup> January 2015). Under the Cooperative and Community Benefit Societies Act 2014, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society, the incoming resources and application of resources, including the income and expenditure for the 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 basis.

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 auditor's, UHY Hacker Younger (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 29 September and signed off on their behalf by:

L Trickett

Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2021****Opinion**

We have audited the financial statements of The Active Wellbeing Society Limited (the parent 'society') and its subsidiaries the 'group' for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet and the Consolidated 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 group's and parent society's affairs as at 31 March 2021, 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2021 (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.

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

In the light of the knowledge and understanding of the group and the parent charitable society and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' report.

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 trustees' responsibilities statement set out on page 19, 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 group's and parent charitable 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 group or the parent charitable 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 2021 (cont'd)****Auditor's responsibilities for the audit of the financial statements (cont'd)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the group, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Co-operative and Community Benefit Societies Act 2014. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the group's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Financial Conduct Authority review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)**

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

**Use of our report**

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

**UHY Hacker Young (Birmingham) LLP, Statutory Auditor**  
**9-11 Vittoria Street**  
**Birmingham**  
**B1 3ND**  
**29 September 2021**



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021**

(Including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income from:</b>					
Donations and capital grants	2	16	-	16	-
Charitable activities:					
- Funding for advancing health and community development	3	57	5,196	5,253	5,245
Other trading activities	4	184	-	184	49
Investment income	5	1	-	1	4
<b>Total</b>		<b>258</b>	<b>5,196</b>	<b>5,454</b>	<b>5,298</b>
<b>Expenditure on:</b>					
Raising funds	6	144	-	144	5
Charitable activities:					
- Advancing health and community development	6 & 7	-	5,477	5,477	5,090
<b>Total</b>	7	<b>144</b>	<b>5,477</b>	<b>5,621</b>	<b>5,095</b>
<b>Net income/(expenditure)</b>		<b>114</b>	<b>(281)</b>	<b>(167)</b>	<b>203</b>
Transfers between funds	15	-	-	-	-
<b>Other recognised gains and losses</b>					
Actuarial (loss)/gain on defined benefit pension schemes	25 & 26	-	(680)	(680)	239
<b>Net movement in funds</b>		<b>114</b>	<b>(961)</b>	<b>(847)</b>	<b>442</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>	16	<b>63</b>	<b>137</b>	<b>200</b>	<b>(242)</b>
<b>Total funds carried forward</b>	16	<b>177</b>	<b>(824)</b>	<b>(647)</b>	<b>200</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.

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

	Note	Group 2021 £'000	Company 2021 £'000	Group 2020 £'000	Company 2020 £'000
<b>Fixed assets</b>					
Tangible assets	11	68	52	78	78
Investment assets	12	-	-	-	-
		<u>68</u>	<u>52</u>	<u>78</u>	<u>78</u>
<b>Current assets</b>					
Debtors	13	374	234	784	784
Cash at bank and in hand		2,037	2,027	863	863
		<u>2,411</u>	<u>2,261</u>	<u>1,647</u>	<u>1,647</u>
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	14	(1,293)	(1,240)	(387)	(387)
<b>Net current assets</b>		1,118	1,021	1,260	1,260
<b>Total assets less current liabilities</b>		1,186	1,073	1,338	1,338
Creditors: Amounts falling due after more than one year	15	(500)	(500)	(500)	(500)
<b>Net assets excluding pension liability</b>		<u>686</u>	<u>573</u>	<u>838</u>	<u>838</u>
Defined benefit pension scheme liability	26 & 27	(1,333)	(1,333)	(638)	(638)
<b>Total net (liabilities)/assets</b>		<u>(647)</u>	<u>(760)</u>	<u>200</u>	<u>200</u>
<b>Capital and reserves</b>					
Share capital	25	-	-	-	-
<b>Restricted funds</b>					
- Restricted income fund	16	509	509	775	775
- Pension reserve	16	(1,333)	(1,333)	(638)	(638)
<b>Total restricted funds</b>		<u>(824)</u>	<u>(824)</u>	<u>137</u>	<u>137</u>
<b>Unrestricted income fund</b>	16	<u>177</u>	<u>64</u>	<u>63</u>	<u>63</u>
<b>Total unrestricted funds</b>		<u>177</u>	<u>64</u>	<u>63</u>	<u>63</u>
<b>Total funds (deficit)/surplus</b>		<u>(647)</u>	<u>(760)</u>	<u>200</u>	<u>200</u>

The financial statements on pages 28 to 46 were approved by the board and authorised for issue on 29 September 2021 and signed on their behalf by:

**L Trickett**  
Chair of Trustees

**R Barrow**  
Secretary

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Notes</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	20	<b>1,205</b>	<b>(96)</b>
Cash flows from investing activities	21	<b>(31)</b>	<b>(78)</b>
Cash flows from financing activities	22	-	-
Change in cash and cash equivalents in the reporting period		<u><b>1,174</b></u>	<u><b>(174)</b></u>
Cash and cash equivalents at 1 April	23	<b>863</b>	<b>1,037</b>
Cash and cash equivalents at 31 March	23	<u><u><b>2,037</b></u></u>	<u><u><b>863</b></u></u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021****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 2021 (Cont'd)

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

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 £500 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 2021 (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 13. 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 14 and 15. 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 2021 (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 26 and 27, 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 2019 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 2021 (cont'd)

## 2 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Donations	16	-	16	16
	<u>16</u>	<u>-</u>	<u>16</u>	<u>16</u>

## 3 FUNDING FOR ADVANCING HEALTH AND COMMUNITY DEVELOPMENT

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Government grants</b>				
Wellbeing Outcome grant	-	1,720	1,720	1,627
Active Communities grant	-	2,559	2,559	2,282
Bikeability grant	-	118	118	285
This Girl Can	-	36	36	-
	<u>-</u>	<u>4,433</u>	<u>4,433</u>	<u>4,194</u>
<b>Private sponsorship grants</b>				
Active Park Delivery grant	-	149	149	300
Bike Banks grant	-	-	-	123
Happy Healthy Holidays grant	-	-	-	531
	<u>-</u>	<u>149</u>	<u>149</u>	<u>954</u>
<b>Other income from the Society's health and community operations</b>				
Healthy Communities	-	282	282	97
Eveson Family Trust	-	10	10	-
National Lottery Fund	-	100	100	-
Direct Line	-	119	119	-
DEFRA	-	97	97	-
Food For Life	-	6	6	-
	<u>-</u>	<u>614</u>	<u>614</u>	<u>97</u>
<b>Exceptional Government Grants</b>				
Coronavirus Job Retention Scheme	18	-	18	-
Other Coronavirus funding	39	-	39	-
	<u>57</u>	<u>-</u>	<u>57</u>	<u>-</u>
	<u>57</u>	<u>5,196</u>	<u>5,253</u>	<u>5,245</u>

The income from the Society's health and community operations was restricted for both 2021 and 2020.

## 4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Sales	184	-	184	-
Other Income	-	-	-	49
	<u>184</u>	<u>-</u>	<u>184</u>	<u>49</u>

The income from the Society's other trading activities was unrestricted for both 2021 and 2020.

## 5 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Bank interest received	1	-	1	4
	<u>1</u>	<u>-</u>	<u>1</u>	<u>4</u>

The income from the Society's investment income was unrestricted for both 2021 and 2020.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 6 EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other Costs £'000		
Expenditure on raising funds					
- Direct costs	57	-	51	108	5
- Allocated support costs	30	2	4	36	-
Society's operations					
- Direct costs	1,611	-	1,257	2,868	2,987
- Allocated support costs	2,045	94	470	2,609	2,103
	<u>3,656</u>	<u>94</u>	<u>1,727</u>	<u>5,477</u>	<u>5,090</u>
	<u>3,743</u>	<u>96</u>	<u>1,782</u>	<u>5,621</u>	<u>5,095</u>

The expenditure was £5,621,000 (2020 : £5,094,500) of which £144,000 (2020 : £15,457) was unrestricted and £5,477,000. (2020 : £5,079,043) restricted.

	Total 2021 £'000	Total 2020 £'000
<b>Net income/(expenditure) for the year includes:</b>		
Operating lease rentals	76	78
Depreciation	42	25
Fees payable to auditor for audit of the charitable group's financial statements	12	10

## 7 CHARITABLE ACTIVITIES

	Total 2021 £'000	Total 2020 £'000
<b>Analysis of Direct Costs</b>		
Direct staff costs	1,611	1,495
Consultancy	128	466
External instructors	146	379
Other direct costs	983	647
	<u>2,868</u>	<u>2,987</u>

	Total 2021 £'000	Total 2020 £'000
<b>Analysis of Support Costs</b>		
Support staff costs	2,045	1,314
Recruitment and training	35	62
Depreciation	40	25
Premises costs	54	172
Technology costs	221	121
Motor and travel expenses	39	88
Advertising and Marketing	27	78
Postage and stationery	13	26
Insurance	9	7
Finance Costs	25	25
Telephone	28	17
Other support costs	36	41
Governance	37	127
	<u>2,609</u>	<u>2,103</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 8 STAFF COSTS

	Total 2021 £'000	Total 2020 £'000
a Staff costs during the year were:		
Wages and salaries	3,112	2,357
Social security costs	292	200
Pension costs	191	182
	<u>3,595</u>	<u>2,739</u>
Agency staff costs	80	33
Staff restructuring costs	68	37
	<u>3,743</u>	<u>2,809</u>
Staff restructuring costs comprise:		
Redundancy payments	19	37
Settlements	49	-
	<u>68</u>	<u>37</u>

## b Redundancy payments

Included in staff restructuring costs is £19,135 (2020 : £36,859) redundancy payments. Individually the payments were for £12,164 and £6,941.

## c Staff numbers

The average number of persons (including senior management team) employed by the society during the year ended 31 March 2021 expressed as whole persons was as follows:

	Total 2021 No	Total 2020 No
<b>Charitable Activities</b>		
Management	5	5
Administration and support	105	98
	<u>110</u>	<u>103</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 2021 No	Total 2020 No
£60,001 - £70,000	3	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

## e Key management personnel

The key management of the Society comprise the trustees, directors and the senior management team as listed on page 3. 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 £458,485 (2020 : £344,835).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (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 2021 there were £Nil (2020: £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 28.

**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 GROUP**

	<b>Furniture &amp; Equipment £'000</b>	<b>Computer Equipment £'000</b>	<b>Motor Vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 April 2020	7	93	13	113
Additions	-	14	18	32
Disposals	-	-	-	-
At 31 March 2021	<u>7</u>	<u>107</u>	<u>31</u>	<u>145</u>
<b>Depreciation</b>				
At 1 April 2020	1	31	3	35
Charged in year	3	33	6	42
Disposals	-	-	-	-
At 31 March 2021	<u>4</u>	<u>64</u>	<u>9</u>	<u>77</u>
<b>Net book value</b>				
At 31 March 2021	<u>3</u>	<u>43</u>	<u>22</u>	<u>68</u>
At 31 March 2020	<u>6</u>	<u>62</u>	<u>10</u>	<u>78</u>

**SOCIETY**

	<b>Furniture &amp; Equipment £'000</b>	<b>Computer Equipment £'000</b>	<b>Motor Vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 April 2020	7	93	13	113
Additions	-	14	-	14
Disposals	-	-	-	-
At 31 March 2021	<u>7</u>	<u>107</u>	<u>13</u>	<u>127</u>
<b>Depreciation</b>				
At 1 April 2020	1	31	3	35
Charged in year	3	33	4	40
Disposals	-	-	-	-
At 31 March 2021	<u>4</u>	<u>64</u>	<u>7</u>	<u>75</u>
<b>Net book value</b>				
At 31 March 2021	<u>3</u>	<u>43</u>	<u>6</u>	<u>52</u>
At 31 March 2020	<u>6</u>	<u>62</u>	<u>10</u>	<u>78</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

**12 INVESTMENT ASSETS  
GROUP AND COMPANY**

The Society owns 100% of the Ordinary shares of Active Wellbeing Works Limited (formerly TAWS Trading Limited), a company incorporated in England and Wales with a nominal value of £1. The principal activity of the company is the provision of trading services and leisure facilities. Turnover for the 10 months ending 31 March 2021 was £184,181, expenditure was £70,837 and the profit was £113,344. The assets of the company at 31 March 2021 were £220,989, liabilities were £107,645 and capital and reserves were £113,344. The policy of Active Wellbeing Works Limited is to make a corporate donation to The Active Wellbeing Society Limited to be used for charitable purposes, equivalent to the taxable profits within 9 months of the end of the accounting period.

	<b>Group</b>	<b>Society</b>	<b>Group</b>	<b>Society</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
			<b>£'000</b>	<b>£'000</b>
<b>13 DEBTORS</b>				
Trade debtors	285	145	200	200
Other debtors	17	17	12	12
Prepayments and accrued income	72	72	572	572
	<u>374</u>	<u>234</u>	<u>784</u>	<u>784</u>
<b>14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				
	<b>Group</b>	<b>Society</b>	<b>Group</b>	<b>Society</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	130	122	122	122
Taxes and social security	74	74	63	63
Other creditors	63	33	67	67
Deferred income	856	788	-	-
Accruals	170	168	135	135
Amounts due to group undertakings	-	55	-	-
	<u>1,293</u>	<u>1,240</u>	<u>387</u>	<u>387</u>
<b>15 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR</b>				
	<b>Group</b>	<b>Society</b>	<b>Group</b>	<b>Society</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loan	<u>500</u>	<u>500</u>	<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 2021 (cont'd)

## 16 FUNDS

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

Group	Balance at 1 April 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 March 2021 £'000
<b>Restricted general funds</b>					
Wellbeing Outcome fund (note i)	726	1,720	(1,952)	(24)	470
Bikeability grant (note ii)	44	118	(128)	-	34
Active Parks Delivery fund (note iii)	5	149	(149)	-	5
Active Communities (note iv)	-	2,559	(2,559)	-	-
Food for Life (note v)	-	6	(6)	-	-
This Girl Can (note vi)	-	36	(36)	-	-
Healthy Communities (note vii)	-	282	(304)	22	-
National Lottery Fund (note viii)	-	100	(102)	2	-
Direct Line (note ix)	-	119	(119)	-	-
DEFRA (note x)	-	97	(97)	-	-
Eveson Family Trust (note xi)	-	10	(10)	-	-
	<b>775</b>	<b>5,196</b>	<b>(5,462)</b>	<b>-</b>	<b>509</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xii)	(638)	-	(15)	(680)	(1,333)
	<b>(638)</b>	<b>-</b>	<b>(15)</b>	<b>(680)</b>	<b>(1,333)</b>
<b>Total restricted funds</b>	<b>137</b>	<b>5,196</b>	<b>(5,477)</b>	<b>(680)</b>	<b>(824)</b>
<b>Unrestricted funds</b>					
Unrestricted funds	63	201	(87)	-	177
Coronavirus Grants (note xiii)	-	57	(57)	-	-
<b>Total unrestricted funds</b>	<b>63</b>	<b>258</b>	<b>(144)</b>	<b>-</b>	<b>177</b>
<b>Total funds</b>	<b>200</b>	<b>5,454</b>	<b>(5,621)</b>	<b>(680)</b>	<b>(647)</b>

## 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) 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.
- v) Food for Life funding is aimed at connecting people through growing, cooking and sharing food
- vi) This Girl Can supports women and girls to be socially and physically active through initiatives across Birmingham
- vii) 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 2021 (cont'd)

## 16 FUNDS (Cont'd)

*Notes (Cont'd)*

- viii) National Lottery Funding has been used to support communities through the COVID-19 crisis
- ix) Direct Line provided funding for dignity packs which were distributed alongside food parcels during the COVID-19 crisis
- x) Defra Food Charities Grant Scheme funding was used to purchase food for food parcels in response to the COVID-19 crisis
- xi) Eveson Family Trust funding was used to purchase food for the food parcels in response to the COVID-19 crisis
- xii) The pension reserve represents the deficit on the Local Government Pension Scheme (see note 26).
- xiii) Coronavirus grants - a number of smaller grants were used to support communities through the COVID-19 crisis

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

Group	Balance at 1 April 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 March 2020 £'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	35	-	(35)	-	-
Active Communities (note iv)	25	2,282	(2,307)	-	-
Bike Banks	-	123	(123)	-	-
Happy Healthy Holidays	-	531	(531)	-	-
Healthy Communities (note vii)	-	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 xii)	(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>	<b>25</b>	<b>53</b>	<b>(15)</b>	<b>-</b>	<b>63</b>
<b>Total funds</b>	<b>(242)</b>	<b>5,298</b>	<b>(5,095)</b>	<b>239</b>	<b>200</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 16 FUNDS (cont'd)

Society	Balance at 1 April 2020	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)	726	1,720	(1,952)	(24)	470
Bikeability grant (note ii)	44	118	(128)	-	34
Active Parks Delivery fund (note iii)	5	149	(149)	-	5
Active Communities (note iv)	-	2,559	(2,559)	-	-
Food for Life (note v)	-	6	(6)	-	-
This Girl Can (note vi)	-	36	(36)	-	-
Healthy Communities (note vii)	-	282	(304)	22	-
National Lottery Fund (note viii)	-	100	(102)	2	-
Direct Line (note ix)	-	119	(119)	-	-
DEFRA (note x)	-	97	(97)	-	-
Eveson Family Trust (note xi)	-	10	(10)	-	-
	<u>775</u>	<u>5,196</u>	<u>(5,462)</u>	<u>-</u>	<u>509</u>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xii)	(638)	-	(15)	(680)	(1,333)
	<u>(638)</u>	<u>-</u>	<u>(15)</u>	<u>(680)</u>	<u>(1,333)</u>
<b>Total restricted funds</b>	<u>137</u>	<u>5,196</u>	<u>(5,477)</u>	<u>(680)</u>	<u>(824)</u>
<b>Unrestricted funds</b>					
Unrestricted funds	63	17	(16)	-	64
Coronavirus grants (note xiii)	-	57	(57)	-	-
<b>Total unrestricted funds</b>	<u>63</u>	<u>74</u>	<u>(73)</u>	<u>-</u>	<u>64</u>
<b>Total funds</b>	<u>200</u>	<u>5,270</u>	<u>(5,550)</u>	<u>(680)</u>	<u>(760)</u>

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

Society	Balance at 1 April	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	35	-	(35)	-	-
Active Communities (note iv)	25	2,282	(2,307)	-	-
Bike Banks	-	123	(123)	-	-
Happy Healthy Holidays	-	531	(531)	-	-
Healthy Communities (note vii)	-	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 xii)	(822)	-	(55)	239	(638)
	<u>(822)</u>	<u>-</u>	<u>(55)</u>	<u>239</u>	<u>(638)</u>
<b>Total restricted funds</b>	<u>(267)</u>	<u>5,245</u>	<u>(5,080)</u>	<u>239</u>	<u>137</u>
<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>(242)</u>	<u>5,298</u>	<u>(5,095)</u>	<u>239</u>	<u>200</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2021 are represented by:

Group	Unrestricted Funds £'000	Pension	General	Total £'000
		Restricted	Restricted	
		Funds £'000	Funds £'000	
Tangible fixed assets	22	-	46	68
Current assets	318	-	2,093	2,411
Current liabilities	(163)	-	(1,130)	(1,293)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(1,333)	-	(1,333)
	<u>177</u>	<u>(1,333)</u>	<u>509</u>	<u>(647)</u>

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

Fund balances at 31 March 2020 are represented by:

Group	Unrestricted Funds £'000	Pension	General	Total £'000
		Restricted	Restricted	
		Funds £'000	Funds £'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)
	<u>63</u>	<u>(638)</u>	<u>775</u>	<u>200</u>

Fund balances at 31 March 2021 are represented by:

Society	Unrestricted Funds £'000	Pension	General	Total £'000
		Restricted	Restricted	
		Funds £'000	Funds £'000	
Tangible fixed assets	6	-	46	52
Current assets	113	-	2,148	2,261
Current liabilities	(55)	-	(1,185)	(1,240)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(1,333)	-	(1,333)
	<u>64</u>	<u>(1,333)</u>	<u>509</u>	<u>(760)</u>

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

Fund balances at 31 March 2020 are represented by:

Society	Unrestricted Funds £'000	Pension	General	Total £'000
		Restricted	Restricted	
		Funds £'000	Funds £'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)
	<u>63</u>	<u>(638)</u>	<u>775</u>	<u>200</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

**18 CAPITAL COMMITMENTS**

	2021	2020
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by trustees, but not yet contracted	Nil	Nil

**19 COMMITMENTS UNDER OPERATING LEASES*****Operating leases - Group and Society***

At 31 March 2021 the total of the Society's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	Land & Buildings £'000	Land & Buildings £'000
Operating leases which expire:		
- Within one year	10	78
- Within two to five years	-	10
	<u>10</u>	<u>88</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

**20 RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021	2020
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(167)	203
Adjusted for:		
Depreciation (note 11)	42	29
Interest receivable	(1)	(4)
Defined benefit pension scheme cost less contributions payable (note 26)	(36)	34
Defined benefit pension scheme finance cost (note 26)	51	21
Decrease/(increase) in debtors	410	(600)
Increase in creditors	906	221
<b>Net cash provided by/(used in) operating activities</b>	<b>1,205</b>	<b>(96)</b>

**21 CASH FLOWS FROM INVESTING ACTIVITIES**

	2021	2020
	£'000	£'000
Interest received	1	4
Purchase of tangible fixed assets	(32)	(82)
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>(31)</b>	<b>(78)</b>

**22 CASH FLOWS FROM FINANCING ACTIVITIES**

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

**23 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	At 31 Mar	At 31 Mar
	2021	2020
	£'000	£'000
Cash in hand and at bank	2,037	863
<b>Total cash and cash equivalents</b>	<b>2,037</b>	<b>863</b>

**24 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April	Cash flows	Other non-cash	At 31
	2020		changes	March
	£'000	£'000	£'000	2021
	£'000	£'000	£'000	£'000
Cash in hand and at bank	863	1,174	-	2,037
	863	1,174	-	2,037
Debt due after one year	(500)	-	-	(500)
<b>Total</b>	<b>363</b>	<b>1,174</b>	<b>-</b>	<b>1,537</b>

**25 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 (2020:£60)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)****26 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 2021 was £191,000 (2020: £182,000) of which £71,000 (2020 : £100,000) relates to the LGPS and £120,000 (2020: £82,000) 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 2019.

Contributions amounting to £19,468 (2020: £16,379) were payable to the LGPS scheme £1,054 (2020: £1,885) and NEST scheme £18,414 (2019: £14,494) at 31 March 2021 and are included within creditors.

**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 2021 was £75,000 (2020: £113,000) of which employers contributions totalled £71,000 (2020: £100,000) and employees contributions totalled £4,000 (2020: £13,000). The agreed contributions for future years are 19.2% (2020: 19.2%) for employers and 5.8% to 8.5% (2020: 5.8% to 8.5%) for employees.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 26 PENSION AND SIMILAR OBLIGATIONS (cont'd)

## Local Government Pension Scheme (cont'd)

## Principal Actuarial Assumptions

The major assumptions used by the actuary were:

	At 31 March 2021	At 31 March 2020
	% per annum	% per annum
Discount rate	2.1%	2.4%
Salary increases	3.8%	2.8%
Pension increase	2.8%	1.8%

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

	At 31 March 2021	At 31 March 2020
	Approx £'000	Approx £'000
Discount rate reduced by 0.1% per annum	86	75
Assumed pension increased by 0.1% per annum	69	71
Salary growth increased by 0.1% per annum	19	73

The mortality assumptions used were as follows:

	2021	2020
	years	years
Longevity at age 65 retiring today		
- Men	21.6	21.9
- Women	23.9	24.1

Longevity at age 65 retiring in 20 years

- Men	23.4	23.8
- Women	25.8	26.0

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

	Fair value at 31 March 2021	Fair value at 31 March 2020
	£'000	£'000
Equity instruments	978	784
Debt instruments	229	218
Property	120	122
Cash	99	49
Other	234	204
<b>Total market value of assets</b>	<b>1,660</b>	<b>1,377</b>
<b>Present value of scheme liabilities</b>		
- Funded	(1,660)	(1,377)
- Unfunded	(1,333)	(638)
<b>Total liabilities</b>	<b>(2,993)</b>	<b>(2,015)</b>
<b>Deficit in the scheme</b>	<b>(1,333)</b>	<b>(638)</b>

The actual return on the scheme assets in the year was £266,000 (2020: £59,000 deficit).

## Amounts recognised in the Statement of Financial Activities

	2021	2020
	£'000	£'000
Current service cost	20	79
Interest income	(32)	(35)
Interest cost	47	56
Past service cost	36	-
<b>Total operating charge</b>	<b>71</b>	<b>100</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)

## 26 PENSION AND SIMILAR OBLIGATIONS (Continued)

	2021 £'000	2020 £'000
<b>Movement in deficit during the period</b>		
Balance at 1 April 2020	638	822
Movement in year:		
- Employer service cost (net of employee contributions)	20	79
- Employer contributions	(56)	(45)
- Expected return on scheme assets	(32)	(35)
- Interest cost	47	56
- Past service cost	36	-
- Actuarial losses/(gains)	680	(239)
<b>Deficit in the scheme at 31 March 2021</b>	<u>1,333</u>	<u>638</u>

**Changes in the present value of defined benefit obligations were as follows:**

	2020 £'000	2019 £'000
Balance at 1 April 2020	2,015	2,274
Current service cost	20	79
Past service cost	36	-
Interest cost	47	56
Contributions by scheme participants	4	13
Benefits paid	(42)	(4)
Actuarial losses/(gains)	913	(403)
<b>Scheme liabilities at 31 March 2021</b>	<u>2,993</u>	<u>2,015</u>

**Changes in the fair value of society's share of scheme assets:**

	2020 £'000	2019 £'000
Balance at 1 April 2020	1,377	£1,452
Expected return on scheme assets	32	35
Actuarial gains/(losses)	233	(164)
Contributions by employer	56	45
Benefits paid	(42)	(4)
Contributions by scheme participants	4	13
<b>Fair value of scheme assets at 31 March 2021</b>	<u>1,660</u>	<u>1,377</u>

The estimated value of employers contributions for the year ended 31 March 2022 is £18,000 (2021 : £48,000)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (cont'd)****27 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.

**28 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

J Warmington, a trustee of The Active Wellbeing Society Limited, is also the CEO of B:RAP Ltd. The transactions totalled £11,050 (2020: £62,190). £nil (2020: £26,035) was outstanding at 31 March 2021.

K Ford, a trustee of The Active Wellbeing Society Limited, is also the Director of FPM Training & Consultancy Ltd. The transactions totalled £5,250 (2020: £nil). £nil (2020: £nil) was outstanding at 31 March 2021.

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).