



The
Active Wellbeing
Society

Annual Report and Audited Accounts
2021/22

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REFERENCE AND ADMINISTRATIVE DETAILS

MEMBERS	153 members including: <i>122 community members</i> <i>22 staff members</i> <i>9 organisations</i>
NON-EXECUTIVE DIRECTORS	L Trickett J Cornett S Porter K Ford
INDEPENDENT DIRECTORS	J Warmington D Cox (end of first term 29 th September 2021 – stood down)
CO-OPTED DIRECTORS	N Fisher (resigned 29 th September 2021) A Lassman (resigned 29 th September 2021) D Farnworth (co-opted 30 th March 2022)
COMPANY SECRETARY	R Barrow
CHIEF EXECUTIVE	K Creavin
CBS REGISTERED NUMBER	RS00 7595
TRADING SUBSIDIARY	Active Wellbeing Works Ltd.
COMPANY NUMBER	12618903
REGISTERED OFFICE	The Active Wellbeing Society Hay Hall Manor House Redfern Road B11 2BE
AUDITORS	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND
BANKERS	Unity Trust Bank Nine Brindley Place Birmingham B1 2HB

DIRECTORS REPORT

As we have come out of what we hope will be the worst of COVID 19, we are acutely aware of the impact that the pandemic has had on some of our communities with the least resilience and capacity as we went into the pandemic.

The last year has been a challenging one, and we have continued to stay with our communities and work closely with our funders in innovative ways and with a clear sense of urgency around the importance of getting this work as right as possible for those in the most need. We have been excited to work in new areas of service delivery, working with those in need of support and connection through services like our Listen and Connect service, or bringing to life our Share Shacks, where people can borrow what they need to make a home and a community, all free of charge.

As well as developing new services to support those in the community, we are also working with new communities outside of the midlands. We are working with partners in Essex to bring to life Essex Pedal Power- the free bikes model that started here in Birmingham. We have also taken this work to Southall in London, and we are working closely with new partners and new communities to remove cost as a barrier and support people to live their most active and best lives.



Jaywick, Essex

As an organisation, our proudest achievements were those of our citizens and those in communities we are now working with. The people who stepped out and leant in; those that went litter picking; those that worked with neighbours and closed the road to traffic to let the humans on the street be more active for the day; those that welcomed the world into their city for the Games; the times

DIRECTORS REPORT (cont'd)

when people put on their coat, or their trainers, picked up their handbag or their racket, and went out, or stayed in, but were active. Active in their community, their park, their street, their roads, their living rooms. All the times when they didn't have to, but they did. For all the connections that created, all the bellies that got fed, voices that got heard, we are proud of them all.

Many of the people we work with have little by way of income and means, but lots in terms of determination and courage, empathy and kindness. We work with amazing people. Amazing people are our staff, our board, our general volunteers, and our participants. We are grateful to all of them, for all their hard work, courage and tenacity.

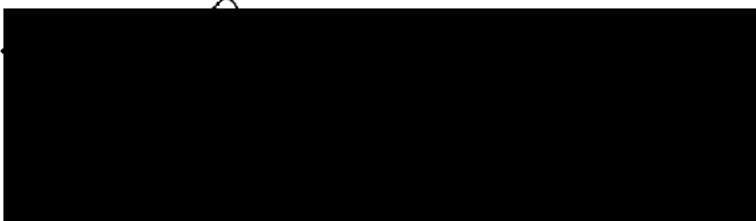
Our staff have worked with over 62,617 people in the financial year 2021/2022 and our volunteers have contributed over 5,647 hours which is the equivalent of £79,616.

Our members are a key element of our structure and we have over 153 now. We hope to work even more with them in the coming months and years as we grow the organisation beyond the West Midlands and into a more nationally facing delivery place.

As we head into an even more uncertain winter and beyond, we are working hard to ensure that what we provide, and how we provide it, stays true to the needs of the communities and continues to be delivered in a way that distributes power throughout the system, working with communities and not *doing to* them. We know that there are tough times here already, with worse set to come.

We will continue to be led by our values, seize opportunities to add value and support where we find them, and show up with courage and vulnerability to play our part. Thank you for coming on the journey with us and doing your bit.

Karen Creavin Chief Executive



STRATEGIC REPORT

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.



STRATEGIC REPORT (cont'd)

OUR MISSION (cont'd)

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

OPEN MIND

OPEN HEART

OPEN WILL

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. We have 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.

STRATEGIC REPORT (cont'd)

OUR WORK

In 2021/22, we worked with over 62,000 participants to promote community wellbeing and tackle inequality. As we began to emerge from the worst of the pandemic in 2021, we introduced more in-person activities and saw the return of some of our interventions that we had previously found to work well with communities. We also found ourselves working in new ways, and in places, as our work continues to expand across the country.

ACTIVE TRAVEL

We saw increased interest in cycling throughout the pandemic as people could come together in bubbles and cycle safely at a distance.

In Birmingham, we partnered with social prescribers to deliver a 'bikes on prescription' scheme as part of the Active Travel Fund. We also supported women to become cycling instructors as part of our This Girl Can Ambassador programme with Sport England. We had over 12,000 participants in our Bikeability scheme this year, and supported over 3100 participants through Learn to Ride. 3,848 people participated in our Led Rides across the year. We delivered 85 bike repair sessions (Dr Bike/Cycle Fix-It) and repaired approximately 260 bikes.



Our work with bikes also expanded across the country with the roll-out of the first

tranche of Essex Pedal Power (EPP) bikes in Jaywick and Clacton and lots of planning for a roll-out of EPP bikes across Essex. Our national work continues with a planned roll-out of bikes for the Let's Go Southall programme coming soon.

ACTIVE SPACES

We have been working with communities across Birmingham to support them to get out and be active again through our work in parks, and on residential streets. In the summer, we were part of Birmingham's free holiday programme (#Bring It on Brum) and had 3,840 participants across 127 sessions.

We facilitated 32 Active Streets events, supporting communities to reclaim the space on their doorstep for activity, bringing neighbours and families together. We had 1400 participants in our Active Streets events as well as engaging with people through consultations, pop-up events and litter picks.

We delivered 147 activity sessions in parks – like family fun days, taster events, Nordic walking and more. We also continued to deliver sessions online for those who weren't able to come together in person. We delivered 269 virtual sessions with nearly 1200 attendances.

STRATEGIC REPORT (cont'd)

SOCIAL PRESCRIBING

TAWS has become an established provider within social prescribing, we are working with a growing number of Primary Care Networks, as well as alongside NHSE and CCGs. Our 14 Social Prescribing Link Workers work across 10 Primary Care Networks and deliver a holistic model of support that we have become recognised for nationally.

We worked closely with GPs throughout the pandemic, keeping in touch with patients and making sure they had access to support through our telephone support service, as well as through our food offer. We supported with the vaccine roll-out in the Spring and Summer and began to re-introduce in-person sessions where possible. Through the pandemic we began to work with patients around shared issues including long-term health conditions, this continues to influence our service and we

are developing new programmes focused on addressing health inequalities at neighbourhood level.

LISTEN AND CONNECT

This year we launched the 'Listen & Connect' service which evolved from the befriending support we offered during the pandemic. We supported 412 people through 4,150 phone calls. We also supported people to get outside and be active through walking and cycling initiatives. 82 people joined us as part of our walk & talk project, and 145 people joined us for Listen & Lunch events at All Saints Café in Small Heath.

We also supported 2,365 participants through our Step Back Out project 6,481 attended our Holistic Interventions sessions.



STRATEGIC REPORT (cont'd)

COMMUNITY FOOD & GROWING

This year our focus has been on transitioning from the emergency response we offered during the height of the pandemic back to a communal dining model – bringing people together through cafés and events. We established 3 community cafés this year and cooked over 14,000 meals using surplus food – saving nearly 17 tonnes from landfill. We also launched a cook-a-long project, helping people to develop food skills at home by providing over 600 recipe kits and streaming monthly cook-a-long events on facebook. We continued to support the Food Justice Network in Birmingham, facilitating regular meetings and a monthly newsletter.



We identified land access as a challenge through our work with the network, and began to work with Birmingham City Council's Public Health team to understand the barriers.



A lot has been said on the benefits of green space for community wellbeing, but we need to understand what the barriers are. We delivered a series of workshops for Sustainable Food Places and have been developing a growing site at All Saints Church in Small Heath, working with local volunteers to develop skills and grow food – we hope to roll this out citywide next year.

STRATEGIC REPORT (cont'd)

SHARING

Our Sharing work has also transitioned this year from our emergency response through 'Wear & Share' to exploring a community model focused on re-use, repurpose, repair. We have been partnering with other organisations to explore different models of share shacks – including working with Eat, Make, Play in Ladywood, St Paul's Community Development Trust in Balsall Heath and Omnia Medical practice in Yardley. Our Share Shacks offer a space for communities to come together and share skills, equipment, and resources. 430 people have signed-up to be part of our Share Shacks and have borrowed 719 items.

ACADEMY

This year we launched the TAWS academy – an area of our work that supports people to develop skills and access employment. We supported 19 people through the DWP Kickstart Scheme – with 40% of them going into training or further employment at the end of the scheme. We also supported 10 young people through our Project Brum initiative in the summer.

194 volunteers have given nearly 6000 hours of their time to support our work in the last year.



STRATEGIC REPORT (cont'd)

FINANCE REVIEW

OVERVIEW

Emerging from the pandemic, we began a phased return to front line face to face delivery. With restrictions remaining in place until July 2021, we worked hard to ensure we were in a position to safely deliver our services to those who needed them. Throughout 2020/21, The Active Wellbeing Society had showed up and pitched in – negotiating the period of crisis and heightened anxiety with bravery and integrity. We embraced our principles of staying with and connected to communities, and responding to need.

We needed to be there as our communities emerged from the periods of isolation experienced through lockdown. We had developed new ways to connect with our communities, throughout the pandemic and it was important that we didn't lose those connections as we encouraged our communities to join us in person. We introduced new programmes such as Step Back Out and Listen & Connect which had evolved from the befriending service we had set up at the beginning of the pandemic. We expanded our reach by increasing the number of community cafes and created more access to 'Shareshacks' across the city. Our delivery teams began a phased return to group participation through active spaces, and the active lives survey saw a spike in active travel and as the country began to open up we saw our community led interventions begin to reopen. We worked on moving from our virtual offer back to face to face delivery. The Sport England funded This Girl Can Cycling Ambassador Course saw a group of women take part in intensive training sessions to become ride leaders and lead their own rides.

This year also saw new areas of work developing with our Academy programme starting with the employment of 30 members of the team through the Kickstart programme. We continued to build our network of volunteers recording 5,647 volunteering hours during the year. We expanded our work to a national level developing partnerships in Essex, Southall and Cornwall.

The last two years 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've continued to build on the partnerships we formed during the pandemic and continue to work together to achieve significant system change and impact. 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.

FINANCIAL POSITION

Our income is based predominantly on grant funding, though also includes a mix of contracted services and commissioned work. Having rewritten our business plan in light of the impact of Covid, we are pleased to report that our income levels remained in line with the business plan. We will continue to review the business plan annually, in line with our delivery and the funding landscape.

For the year to 31st March 2022, we received £5,203,000 (2021 - £5,196,000) in grant funding, and generated £259,000 (£258,000) in income, in support of our charitable objectives.

STRATEGIC REPORT (cont'd)

The net asset value of the Society at 31st March 2022 was £722,000 (2021 - £686,000) of which £401,000 (2021 - £509,000) related to restricted funds and £321,000 (2021 - £177,000) unrestricted funds, excluding the deficit on the pension reserve of £982,000 (2021 - £1,333,000).

	Unrestricted Funds	Restricted General Funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Total Income	259	5,203	5,462	5,454
Total Expenditure	115	5,348	5,463	5,621
Net Income/(expenditure)	144	(145)	(1)	(167)
Actuarial gain/(loss) on defined benefit pension schemes		388	388	(680)
Net movement in funds	144	243	387	(847)
Reconciliation of funds				
Total fund brought forward	177	(824)	(647)	200
Total funds carried forward	321	(581)	(260)	(647)

**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.

STRATEGIC REPORT (cont'd)

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 10th July 2017, and you can find us on the Companies House website under RS007595. We are registered with and regulated by the Mutuels Team at the Financial Conduct Authority. You can find our entry on the Mutuels Public Register at <https://mutuals.fca.org.uk/>.

Our 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.

STRATEGIC REPORT (cont'd)

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.

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

STRATEGIC REPORT (cont'd)

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 1st 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.

STRATEGIC REPORT (cont'd)

STATEMENT OF BOARD'S RESPONSIBILITIES continued

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 28 September 2022 and signed off on their behalf by:



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L Trickett

Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ACTIVE WELLBEING SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2022**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 2022 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 2022, 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 2022 (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 16, 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 2022 (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 2022 (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
28 September 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

(Including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Total 2022 £'000	Total 2021 £'000
Income from:					
Donations and capital grants	2	-	1	1	16
Charitable activities:					
- Funding for advancing health and community development	3	10	5,202	5,212	5,253
Other trading activities	4	248	-	248	184
Investment income	5	1	-	1	1
Total		259	5,203	5,462	5,454
Expenditure on:					
Raising funds	6	115	-	115	144
Charitable activities:					
- Advancing health and community development	6 & 7	-	5,348	5,348	5,477
Total	7	115	5,348	5,463	5,621
Net income/(expenditure)		144	(145)	(1)	(167)
Transfers between funds	15	-	-	-	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	26 & 27	-	388	388	(680)
Net movement in funds		144	243	387	(847)
Reconciliation of funds					
Total funds brought forward	16	177	(824)	(647)	200
Total funds carried forward	16	321	(581)	(260)	(647)

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 2022

	Note	Group 2022 £'000	Society 2022 £'000	Group 2021 £'000	Society 2021 £'000
Fixed assets					
Tangible assets	11	42	28	68	52
Investment assets	12	-	-	-	-
		<u>42</u>	<u>28</u>	<u>68</u>	<u>52</u>
Current assets					
Debtors	13	583	538	374	234
Cash at bank and in hand		2,099	2,032	2,037	2,027
		<u>2,682</u>	<u>2,570</u>	<u>2,411</u>	<u>2,261</u>
Current liabilities					
Creditors: Amounts falling due within one year	14	<u>(1,502)</u>	<u>(1,468)</u>	<u>(1,293)</u>	<u>(1,240)</u>
Net current assets		1,180	1,102	1,118	1,021
Total assets less current liabilities		1,222	1,130	1,186	1,073
Creditors: Amounts falling due after more than one year	15	(500)	(500)	(500)	(500)
Net assets excluding pension liability		<u>722</u>	<u>630</u>	<u>686</u>	<u>573</u>
Defined benefit pension scheme liability	26 & 27	(982)	(982)	(1,333)	(1,333)
Total net liabilities		<u>(260)</u>	<u>(352)</u>	<u>(647)</u>	<u>(760)</u>
Capital and reserves					
Share capital	25	-	-	-	-
Restricted funds					
- Restricted income fund	16	401	401	509	509
- Pension reserve	16	(982)	(982)	(1,333)	(1,333)
Total restricted funds		<u>(581)</u>	<u>(581)</u>	<u>(824)</u>	<u>(824)</u>
Unrestricted income fund	16	<u>321</u>	<u>229</u>	<u>177</u>	<u>64</u>
Total unrestricted funds		<u>321</u>	<u>229</u>	<u>177</u>	<u>64</u>
Total funds deficit		<u>(260)</u>	<u>(352)</u>	<u>(647)</u>	<u>(760)</u>

The financial statements on pages 22 to 43 were approved by the board and authorised for issue on 28 September 2022 and signed on their behalf by:

[REDACTED]

Chair of Trustees

[REDACTED]

R Barrow
Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash provided by operating activities	20	76	1,205
Cash flows from investing activities	21	(14)	(31)
Cash flows from financing activities	22	-	-
Change in cash and cash equivalents in the reporting period		<u>62</u>	<u>1,174</u>
Cash and cash equivalents at 1 April	23	2,037	863
Cash and cash equivalents at 31 March	23	<u>2,099</u>	<u>2,037</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**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 2022 (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 2022 (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 2022 (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. Deprecation 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 2022 (cont'd)

2 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Donations	-	1	1	16
	-	1	1	16

3 FUNDING FOR ADVANCING HEALTH AND COMMUNITY DEVELOPMENT

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Government grants				
Wellbeing Outcome grant	-	1,759	1,759	1,720
Active Communities grant	-	2,213	2,213	2,559
Bikeability grant	-	341	341	118
This Girl Can	-	58	58	36
	-	4,371	4,371	4,433
Private sponsorship grants				
Active Park Delivery grant	-	17	17	149
Kickstart Scheme	-	100	100	-
Happy Healthy Holidays grant	-	155	155	-
	-	272	272	149
Other income from the Society's health and community operations				
Healthy Communities	-	423	423	282
Step Back Out	-	89	89	-
Eveson Family Trust	-	-	-	10
National Lottery Fund	-	-	-	100
Direct Line	-	-	-	119
DEFRA	-	-	-	97
Other Grant Income	-	5	5	-
Food For Life	-	42	42	6
	-	559	559	614
Exceptional Government Grants				
Coronavirus Job Retention Scheme	10	-	10	18
Other Coronavirus funding	-	-	-	39
	10	-	10	57
	10	5,202	5,212	5,253

The income from the Society's health and community operations was £5,212,000 (2021: £5,253,000) of which £10,000 (2021: £57,000) was unrestricted and £5,202,000 (2021: £5,196,000) restricted.

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Sales	248	-	248	184
	248	-	248	184

The income from the Society's other trading activities was unrestricted for both 2022 and 2021.

5 INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Bank interest received	1	-	1	1
	1	-	1	1

The income from the Society's investment income was unrestricted for both 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

6 EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure		Total 2022 £'000	Total 2021 £'000
		Premises £'000	Other Costs £'000		
Expenditure on raising funds					
- Direct costs	-	-	31	31	108
- Allocated support costs	57	5	22	84	36
Society's operations					
- Direct costs	1,486	-	1,217	2,703	2,868
- Allocated support costs	2,073	127	445	2,645	2,609
	<u>3,559</u>	<u>127</u>	<u>1,662</u>	<u>5,348</u>	<u>5,477</u>
	<u>3,616</u>	<u>132</u>	<u>1,715</u>	<u>5,463</u>	<u>5,621</u>

The expenditure was £5,463,000 (2021 : £5,621,000) of which £115,000 (2021 : £144,000) was unrestricted and £5,348,000. (2021 : £5,477,000) restricted.

	Total 2022 £'000	Total 2021 £'000
Net expenditure for the year includes:		
Operating lease rentals	47	76
Depreciation	41	42
Fees payable to auditor for audit of the charitable group's financial statements	12	12

7 CHARITABLE ACTIVITIES

	Total 2022 £'000	Total 2021 £'000
Analysis of Direct Costs		
Direct staff costs	1,486	1,611
Consultancy	53	128
External instructors	179	146
Other direct costs	985	983
	<u>2,703</u>	<u>2,868</u>

	Total 2022 £'000	Total 2021 £'000
Analysis of Support Costs		
Support staff costs	2,073	2,045
Recruitment and training	80	35
Depreciation	37	40
Premises costs	90	54
Technology costs	187	221
Motor and travel expenses	38	39
Advertising and Marketing	14	27
Postage and stationery	5	13
Insurance	12	9
Finance Costs	25	25
Telephone	21	28
Other support costs	39	36
Governance	24	37
	<u>2,645</u>	<u>2,609</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

8 STAFF COSTS

	Total 2022 £'000	Total 2021 £'000
a Staff costs during the year were:		
Wages and salaries	3,095	3,112
Social security costs	283	292
Pension costs	216	191
	<u>3,594</u>	<u>3,595</u>
Agency staff costs	2	80
Staff restructuring costs	20	68
	<u>3,616</u>	<u>3,743</u>
Staff restructuring costs comprise:		
Redundancy payments	11	19
Settlements	9	49
	<u>20</u>	<u>68</u>

b Redundancy payments

Included in staff restructuring costs is £10,605 (2021 : £19,135) redundancy payments. Individually the payments were for £10,605.

c Staff numbers

The average number of persons (including senior management team) employed by the society during the year ended 31 March 2022 expressed as whole persons was as follows:

	Total 2022 No	Total 2021 No
Charitable Activities		
Management	5	5
Administration and support	122	105
	<u>127</u>	<u>110</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 2022 No	Total 2021 No
£60,001 - £70,000	4	3
£70,001 - £80,000	-	1
£90,001 - £100,000	1	1
£110,001 - £120,000	-	1
	<u>-</u>	<u>1</u>

e Key management personnel

The key management of the Society comprise the trustees, directors and the senior management team as listed on page 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 £417,326 (2021 : £458,485).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (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 2022 there were £Nil (2021: £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

	Furniture & Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost				
At 1 April 2021	7	107	31	145
Additions	-	12	3	15
Disposals	-	-	-	-
At 31 March 2022	<u>7</u>	<u>119</u>	<u>34</u>	<u>160</u>
Depreciation				
At 1 April 2021	4	64	9	77
Charged in year	2	31	8	41
Disposals	-	-	-	-
At 31 March 2022	<u>6</u>	<u>95</u>	<u>17</u>	<u>118</u>
Net book value				
At 31 March 2022	<u>1</u>	<u>24</u>	<u>17</u>	<u>42</u>
At 31 March 2021	<u>3</u>	<u>43</u>	<u>22</u>	<u>68</u>

SOCIETY

	Furniture & Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost				
At 1 April 2021	7	107	13	127
Additions	-	12	-	12
Disposals	-	-	-	-
At 31 March 2022	<u>7</u>	<u>119</u>	<u>13</u>	<u>139</u>
Depreciation				
At 1 April 2021	4	64	7	75
Charged in year	2	31	3	36
Disposals	-	-	-	-
At 31 March 2022	<u>6</u>	<u>95</u>	<u>10</u>	<u>111</u>
Net book value				
At 31 March 2022	<u>1</u>	<u>24</u>	<u>3</u>	<u>28</u>
At 31 March 2021	<u>3</u>	<u>43</u>	<u>6</u>	<u>52</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

**12 INVESTMENT ASSETS
GROUP AND COMPANY**

The Society owns 100% of the Ordinary shares of Active Wellbeing Works 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 year ending 31 March 2022 was £247,817 (2021: £184,181), expenditure was £171,755 (2021: £70,837) and the profit was £76,062 (2021: £113,344). The assets of the company at 31 March 2022 were £168,612 (2021: £220,990), liabilities were £76,872 (2021: £107,645) and capital and reserves were £91,740 (2021: £113,345). 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, based on the taxable profits within 9 months of the end of the accounting period.

	Group 2022 £'000	Society 2022 £'000	Group 2021 £'000	Society 2021 £'000
13 DEBTORS				
Trade debtors	377	316	285	145
Other debtors	29	29	17	17
Prepayments and accrued income	177	161	72	72
Amounts due from group undertakings	-	32	-	-
	<u>583</u>	<u>538</u>	<u>374</u>	<u>234</u>
14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
	Group 2022 £'000	Society 2022 £'000	Group 2021 £'000	Society 2021 £'000
Trade creditors	110	108	130	122
Taxes and social security	81	81	74	74
Other creditors	35	21	63	33
Deferred income	1094	1,067	856	788
Accruals	182	180	170	168
Amounts due to group undertakings	-	11	-	55
	<u>1,502</u>	<u>1,468</u>	<u>1,293</u>	<u>1,240</u>
15 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR				
	Group 2022 £'000	Society 2022 £'000	Group 2021 £'000	Society 2021 £'000
Loan	500	500	500	500

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 2022 (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 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 March 2022 £'000
Restricted general funds	£'000	£'000	£'000	£'000	£'000
Wellbeing Outcome fund (note i)	470	1,759	(1,894)	-	335
Bikeability grant (note ii)	34	341	(323)	-	52
Active Parks Delivery fund (note iii)	5	17	(17)	-	5
Active Communities (note iv)	-	2,213	(2,204)	-	9
Food for Life (note v)	-	10	(10)	-	-
This Girl Can (note vi)	-	58	(58)	-	-
Healthy Communities (note vii)	-	423	(423)	-	-
Community Foods and Sharing Projects (note xiv)	-	32	(32)	-	-
Kickstart Scheme (note xv)	-	100	(100)	-	-
Happy Healthy Holidays (note xvi)	-	155	(155)	-	-
Step Back Out (note xvii)	-	89	(89)	-	-
Other Grant Income	-	5	(5)	-	-
Donations	-	1	(1)	-	-
	509	5,203	(5,311)	-	401
Restricted pension scheme liability					
Pension reserve (note xii)	(1,333)		(37)	388	(982)
	(1,333)	-	(37)	388	(982)
Total restricted funds	(824)	5,203	(5,348)	388	(581)
Unrestricted funds					
Unrestricted funds	177	259	(115)	-	321
Total unrestricted funds	177	259	(115)	-	321
Total funds	(647)	5,462	(5,463)	388	(260)

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 2022 (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
- xiv) Community Food projects take food that would otherwise end up in landfill and provide free food to those experiencing food poverty. Sharing Projects work with communities to extend and widen the range of products they have in communities rather than buy them individually, encouraging people to share skills, knowledge and time in return, showing the circular economy in action.
- xv) Kickstart Scheme provided funding to create new jobs for 16-24 year olds on Universal Credit who are at risk of long term unemployment.
- xvi) Holiday Activities and Food was a programme supporting school children across Birmingham to access free activities and food during the school holidays
- xvii) Step Back Out supported communities to create the conditions for people to participate and reverse the habits that had formed since the start of the pandemic.

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

Group	Balance at 1 April 2020 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 March 2021 £'000
Restricted general funds					
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>
Restricted pension scheme liability					
Pension reserve (note xii)	(638)	-	(15)	(680)	(1,333)
	<u>(638)</u>	<u>-</u>	<u>(15)</u>	<u>(680)</u>	<u>(1,333)</u>
Total restricted funds	137	5,196	(5,477)	(680)	(824)
Unrestricted funds					
Unrestricted funds	63	201	(87)	-	177
Coronavirus Grants (note xiii)	-	57	(57)	-	-
Total unrestricted funds	63	258	(144)	-	177
Total funds	200	5,454	(5,621)	(680)	(647)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

16 FUNDS (cont'd)

Society	Balance at 1 April 2021	Incoming Resources	Resources Expended	Gains, Losses & Transfers	Balance at 31 March 2022
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
Wellbeing Outcome fund (note i)	470	1,759	(1,894)	-	335
Bikeability grant (note ii)	34	341	(323)	-	52
Active Parks Delivery fund (note iii)	5	17	(17)	-	5
Active Communities (note iv)	-	2,214	(2,205)	-	9
Food for Life (note v)	-	10	(10)	-	-
This Girl Can (note vi)	-	58	(58)	-	-
Healthy Communities (note vii)	-	423	(423)	-	-
Community Foods and Sharing Projects	-	32	(32)	-	-
Kickstart Scheme	-	100	(100)	-	-
Happy Healthy Holidays	-	155	(155)	-	-
Other Grant Income	-	5	(5)	-	-
Step Back Out	-	89	(89)	-	-
	<u>509</u>	<u>5,203</u>	<u>(5,311)</u>	<u>-</u>	<u>401</u>
Restricted pension scheme liability					
Pension reserve (note xii)	(1,333)	-	(37)	388	(982)
	<u>(1,333)</u>	<u>-</u>	<u>(37)</u>	<u>388</u>	<u>(982)</u>
Total restricted funds	<u>(824)</u>	<u>5,203</u>	<u>(5,348)</u>	<u>388</u>	<u>(581)</u>
Unrestricted funds					
Unrestricted funds	64	181	(16)	-	229
Coronavirus grants (note xiii)	-	-	-	-	-
Total unrestricted funds	<u>64</u>	<u>181</u>	<u>(16)</u>	<u>-</u>	<u>229</u>
Total funds	<u>(760)</u>	<u>5,384</u>	<u>(5,364)</u>	<u>388</u>	<u>(352)</u>

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

Society	Balance at 1 April 2020	Incoming Resources	Resources Expended	Gains, Losses & Transfers	Balance at 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
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>
Restricted pension scheme liability					
Pension reserve (note xii)	(638)	-	(15)	(680)	(1,333)
	<u>(638)</u>	<u>-</u>	<u>(15)</u>	<u>(680)</u>	<u>(1,333)</u>
Total restricted funds	<u>137</u>	<u>5,196</u>	<u>(5,477)</u>	<u>(680)</u>	<u>(824)</u>
Unrestricted funds					
Unrestricted funds	63	17	(16)	-	64
Coronavirus grants (note xiii)	-	57	(57)	-	-
Total unrestricted funds	<u>63</u>	<u>74</u>	<u>(73)</u>	<u>-</u>	<u>64</u>
Total funds	<u>200</u>	<u>5,270</u>	<u>(5,550)</u>	<u>(680)</u>	<u>(760)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2022 are represented by:

Group	Pension		General	Total
	Unrestricted	Restricted	Restricted	
	Funds £'000	Funds £'000	Funds £'000	
Tangible fixed assets	14	-	28	42
Current assets	384	-	2,298	2,682
Current liabilities	(77)	-	(1,425)	(1,502)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(982)	-	(982)
	<u>321</u>	<u>(982)</u>	<u>401</u>	<u>(260)</u>

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

Fund balances at 31 March 2021 are represented by:

Group	Pension		General	Total
	Unrestricted	Restricted	Restricted	
	Funds £'000	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>

Fund balances at 31 March 2022 are represented by:

Society	Pension		General	Total
	Unrestricted	Restricted	Restricted	
	Funds £'000	Funds £'000	Funds £'000	
Tangible fixed assets	-	-	28	28
Current assets	229	-	2,341	2,570
Current liabilities	-	-	(1,468)	(1,468)
Non current liabilities	-	-	(500)	(500)
Pension scheme liability	-	(982)	-	(982)
	<u>229</u>	<u>(982)</u>	<u>401</u>	<u>(352)</u>

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

Fund balances at 31 March 2021 are represented by:

Society	Pension		General	Total
	Unrestricted	Restricted	Restricted	
	Funds £'000	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>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

18 CAPITAL COMMITMENTS	2022	2021
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by trustees, but not yet contracted	Nil	Nil
	Nil	Nil

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

At 31 March 2022 the total of the Society's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	Land & Buildings	Land & Buildings
	£'000	£'000
Operating leases which expire:		
- Within one year	-	10
- Within two to five years	-	-
	-	10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

20 RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£'000	£'000
Net expenditure for the reporting period (as per the statement of financial activities)	(1)	(167)
Adjusted for:		
Depreciation (note 11)	41	42
Interest receivable	(1)	(1)
Defined benefit pension scheme cost less contributions payable (note 26)	10	(36)
Defined benefit pension scheme finance cost (note 26)	27	51
(Increase)/decrease in debtors	(209)	410
Increase in creditors	209	906
Net cash provided by operating activities	76	1,205

21 CASH FLOWS FROM INVESTING ACTIVITIES

	2022	2021
	£'000	£'000
Interest received	1	1
Purchase of tangible fixed assets	(15)	(32)
Net cash used in investing activities	(14)	(31)

22 CASH FLOWS FROM FINANCING ACTIVITIES

Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by financing activities	-	-

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 March	At 31 March
	2022	2021
	£'000	£'000
Cash in hand and at bank	2,099	2,037
Total cash and cash equivalents	2,099	2,037

24 ANALYSIS OF CHANGES IN NET DEBT

	At 1 April	Cash flows	At 31 March
	2021		2022
	£'000	£'000	£'000
Cash in hand and at bank	2,037	62	2,099
	2,037	62	2,099
Debt due after one year	(500)	-	(500)
Total	1,537	62	1,599

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 (2021:£60)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (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 2022 was £216,000 (2021: £191,000) of which £53,000 (2021 : £71,000) relates to the LGPS and £163,000 (2021: £120,000) 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 £20,239 (2021: £19,468) were payable to the LGPS scheme £1,147 (2021: £1,054) and NEST scheme £19,092 (2021: £18,414) at 31 March 2022 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 2022 was £56,000 (2021: £75,000) of which employers contributions totalled £53,000 (2021: £71,000) and employees contributions totalled £3,000 (2021: £4,000). The agreed contributions for future years are 19.2% (2021: 19.2%) for employers and 5.8% to 8.5% (2021: 5.8% to 8.5%) for employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (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 2022 % per annum	At 31 March 2021 % per annum
Discount rate	2.8%	2.1%
Salary increases	4.2%	3.8%
Pension increase	3.2%	2.8%

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

	At 31 March 2022 Approx £'000	At 31 March 2021 Approx £'000
Discount rate reduced by 0.1% per annum	75	86
Assumed pension increased by 0.1% per annum	51	69
Salary growth increased by 0.1% per annum	22	19
The mortality assumptions used were as follows:	2022	2021
Longevity at age 65 retiring today	years	years
- Men	21.2	21.6
- Women	23.6	23.9
Longevity at age 65 retiring in 20 years		
- Men	22.9	23.4
- Women	25.4	25.8

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

	Fair value at 31 March 2022 £'000	Fair value at 31 March 2021 £'000
Equity instruments	1,203	978
Debt instruments	395	229
Property	125	120
Cash	72	99
Other	-	234
Total market value of assets	1,795	1,660
Present value of scheme liabilities		
- Funded	(1,795)	(1,660)
- Unfunded	(982)	(1,333)
Total liabilities	(2,777)	(2,993)
Deficit in the scheme	(982)	(1,333)

The actual return on the scheme assets in the year was £137,000 (2021: £266,000).

Amounts recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Current service cost	26	20
Interest income	(34)	(32)
Interest cost	61	47
Past service cost	-	36
Total operating charge	53	71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (cont'd)

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

	2022 £'000	2021 £'000
Movement in deficit during the period		
Balance at 1 April 2021	1,333	638
Movement in year:		
- Employer service cost (net of employee contributions)	26	20
- Employer contributions	(16)	(56)
- Expected return on scheme assets	(34)	(32)
- Interest cost	61	47
- Past service cost	-	36
- Actuarial (gains)/losses	(388)	680
Deficit in the scheme at 31 March 2022	<u>982</u>	<u>1,333</u>
Changes in the present value of defined benefit obligations were as follows:		
	2022 £'000	2021 £'000
Balance at 1 April 2021	2,993	2,015
Current service cost	26	20
Past service cost	-	36
Interest cost	61	47
Contributions by scheme participants	3	4
Benefits paid	(21)	(42)
Actuarial (gains)/losses	(285)	913
Scheme liabilities at 31 March 2022	<u>2,777</u>	<u>2,993</u>
Changes in the fair value of society's share of scheme assets:		
	2022 £'000	2021 £'000
Balance at 1 April 2021	1,660	1,377
Expected return on scheme assets	34	32
Actuarial gains/(losses)	103	233
Contributions by employer	16	56
Benefits paid	(21)	(42)
Contributions by scheme participants	3	4
Fair value of scheme assets at 31 March 2022	<u>1,795</u>	<u>1,660</u>

The estimated value of employers contributions for the year ended 31 March 2023 is £17,000 (2022 : £18,000)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (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 £13,530 (2021: £11,050). £nil (2021: £nil) was outstanding at 31 March 2022.

K Ford, a trustee of The Active Wellbeing Society Limited, is also the Director of FPM Training & Consultancy Ltd. The transactions totalled £nil (2021: £5,250). £nil (2021: £nil) was outstanding at 31 March 2022.

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).

