

**Strategic Report, Report of the Directors and
Unaudited Financial Statements
for the Year Ended 31 March 2022
for
Sustainability West Midlands**

Sustainability West Midlands

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Sustainability West Midlands

**Company Information
for the Year Ended 31 March 2022**

DIRECTORS:

A Bassford
M J Beveridge
D K Kalirai
T Miller
N Templeton
S Thompson
C A Pollard
H Smith

REGISTERED OFFICE:

c/o Locke Williams Associates LLP
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

REGISTERED NUMBER:

04390508 (England and Wales)

Sustainability West Midlands
Strategic Report
for the Year Ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

Our Vision for the West Midlands:

The West Midlands is leading in contributing to the national target of net zero greenhouse gas emissions by 2050 whilst addressing health inequality and driving inclusive growth.

Our Vision for our Business

To become the first choice in providing sustainability advice to the leaders of the West Midlands.

Our Mission

SWM is the first choice in providing sustainability advice to the leaders of the West Midlands. SWM is recognised by leaders in government, businesses, the public sector and third sector as the best organisation to go to for sustainability solutions and inspiration - to create new jobs, cut costs and carbon emissions, and improve health and wellbeing.

Our Values

Business led and business like - we seek and expect others to maintain personal and professional standards.

Creative and positive - we are always learning and looking for better ways of working with others.

Respectful - we respect nature's limits and the needs of future generations, we respect each other and celebrate our diversity so that everyone can give their best.

Our Role

Innovation: Using new ideas, technologies, services and processes to make positive changes quicker and more effectively

Leadership: Leading by example and promoting the ideas and perspectives of influencers and policymakers who can inspire and make a difference

Collaboration: Enabling the identification of partnerships and brokering connections between sectors to develop more powerful, sustainable solutions

Celebrating success: Sharing good practice and promoting the achievements of our members and stakeholders and enabling these to be scaled up and applied elsewhere.

REVIEW OF BUSINESS 2021-22

As Sustainability West Midlands (SWM) celebrates 20 years in the region, this has been a very successful year for us, despite the ongoing challenges associated with the Covid-19 pandemic. We have increased our turnover by 71% to £254,688 and made a surplus of £19,275 in comparison with £4,093 last year. Our reserves have grown from £32,768 last year to £52,043, an increase of 59%.

We have developed our new Business Plan to 2025 with ambitious targets for growth, and providing focus on our key goals, and certainty for our board, staff and volunteers.

Sustainability West Midlands

Strategic Report for the Year Ended 31 March 2022

REVIEW OF BUSINESS 2021-22 - CONTINUED

We celebrated our 20th birthday in March 2022 with a flagship annual conference and the first Sustainability Roadmap to 2030 Awards, showcasing success and allowing our winners and shortlisted organisations to get the recognition they deserve.

We have developed a strong pipeline of future projects, working with both existing and new customers. We continue to diversify our customer base working with key organisations both within and outside the West Midlands. We delivered support to national organisations including the Heritage Fund and the Climate Change Committee, who we advised on improved accessibility of the third Independent Assessment of UK Climate Risk. We were appointed as Sustainability Consultants to UNBOXED, a celebration of creativity across all four nations of the UK through 10 projects dedicated to science, technology, engineering, arts and mathematics, to inspire innovation and unlock talent in our communities. We worked with 24 officers and councillors from local authorities across England through the 'Building Housing Retrofit Skills Leadership and Learning Programme' commissioned by the Local Government Association.

We continued to support the West Midlands Combined Authority through management of their West Midlands Net Zero Business Pledged, launched in partnership with the Mayor in March 2021 and now with 60 pledged organisations. We were privileged to be part of the COP26 steering group, feeding into the development of the key regional event in Wolverhampton in November 2021. We are the low carbon lead for the West Midlands Innovation Programme through to September 2022. We sit on the Board of the Midlands Net Zero Hub supporting with engagement across the region and overseeing delivery of the Rural Community Energy Fund across the Midlands. We are supporting many local authorities in the development of their approach to sustainability including Sandwell, Solihull, Telford and Wrekin, Warwickshire and Wolverhampton councils. In collaboration with the Environment Agency, we published the first West Midlands Climate Change Risk Assessment and Action Plan and undertook our sixth annual benchmark of West Midlands local authority sustainability progress and performance.

We retained over 85% of our existing members and welcomed 43 new and exciting members with the greatest rate of growth being private sector. Our cross sector members are committed to supporting us in our vision and mission.

FORWARD LOOK FOR 2022-23

We will continue to provide support to partners such as the Environment Agency, West Midlands Combined Authority, and the Innovation Alliance for the West Midlands. We will support and increase our membership. We will continue to coordinate nine good practice networks and grow their membership. We will support young people by providing placement opportunities for students and recent graduates, and the Young Director position on our board. We will establish an External Advisory Committee who will provide independent advice on the direction and operation of our organisation. We will produce Communications and Marketing Strategies and associated action plans. We will build on recent work refreshing our Equalities, Diversity & Inclusion Policy and providing training for our team, to ensure that our operations represent the diversity of the West Midlands and recognise the value of inclusion of people of all backgrounds. We hope to inspire others to champion diversity.

ON BEHALF OF THE BOARD:



.....
C A Pollard - Director

Date: 21 October 2022.

Sustainability West Midlands

Report of the Directors for the Year Ended 31 March 2022

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

A Bassford
M J Beveridge
D K Kalirai
T Miller
N Templeton
S Thompson
C A Pollard
H Smith

Other changes in directors holding office are as follows:

P A Fisher - resigned 15 February 2022
C J Thiery Weetman - resigned 15 February 2022
I Vazaios - resigned 18 October 2021

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
C A Pollard - Director

Date: 21 October 2022.

Sustainability West Midlands

Income Statement for the Year Ended 31 March 2022

| | Notes | 31.3.22 £ | 31.3.21 £ |
|---------------------------------------|-------|----------------------|---------------------|
| TURNOVER | | 254,688 | 148,980 |
| Cost of sales | | <u>62,918</u> | <u>31,191</u> |
| GROSS SURPLUS | | 191,770 | 117,789 |
| Administrative expenses | | <u>171,952</u> | <u>127,618</u> |
| | | 19,818 | (9,829) |
| Other operating income | | <u>-</u> | <u>13,922</u> |
| OPERATING SURPLUS | | 19,818 | 4,093 |
| Interest payable and similar expenses | | <u>543</u> | <u>-</u> |
| SURPLUS BEFORE TAXATION | | 19,275 | 4,093 |
| Tax on surplus | 4 | <u>-</u> | <u>-</u> |
| SURPLUS FOR THE FINANCIAL YEAR | | <u>19,275</u> | <u>4,093</u> |

The notes form part of these financial statements

Sustainability West Midlands (Registered number: 04390508)

**Balance Sheet
31 March 2022**

| | Notes | 31.3.22 | | 31.3.21 | |
|--|-------|-----------------------|-----------------------------|----------------|----------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 5 | | 8,136 | | 6,513 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 23,412 | | 9,308 | |
| Cash at bank and in hand | | <u>182,617</u> | | <u>140,652</u> | |
| | | 206,029 | | 149,960 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>134,948</u> | | <u>89,008</u> | |
| NET CURRENT ASSETS | | | <u>71,081</u> | | <u>60,952</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 79,217 | | 67,465 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 8 | | <u>27,174</u> | | <u>34,697</u> |
| NET ASSETS | | | <u><u>52,043</u></u> | | <u><u>32,768</u></u> |
| RESERVES | | | | | |
| Income and expenditure account | 9 | | <u>52,043</u> | | <u>32,768</u> |
| | | | <u><u>52,043</u></u> | | <u><u>32,768</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 21 October 2022 and were signed on its behalf by:



.....
C A Pollard - Director

The notes form part of these financial statements

Sustainability West Midlands

Notes to the Financial Statements for the Year Ended 31 March 2022

1. STATUTORY INFORMATION

Sustainability West Midlands is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income recognised as follows:

- a) Funding which is specifically attributable to a project is recognised in the period in which the relevant expenditure relating to that project is incurred.
- b) General core funding, which is not specifically attributable to a project, is recognised in the period in which it is received

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 20% on cost

All assets with a cost of over £500 are capitalised.

Sustainability West Midlands

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in independently administered funds.

Sustainability West Midlands

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2021 - 3).

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. TANGIBLE FIXED ASSETS

| | | Computer equipment £ |
|---|----------------|----------------------------|
| COST | | |
| At 1 April 2021 | | 8,030 |
| Additions | | <u>3,321</u> |
| At 31 March 2022 | | <u>11,351</u> |
| DEPRECIATION | | |
| At 1 April 2021 | | 1,517 |
| Charge for year | | <u>1,698</u> |
| At 31 March 2022 | | <u>3,215</u> |
| NET BOOK VALUE | | |
| At 31 March 2022 | | <u>8,136</u> |
| At 31 March 2021 | | <u>6,513</u> |
| | | |
| 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 31.3.22 | 31.3.21 |
| | £ | £ |
| Trade debtors | 19,078 | 9,308 |
| Other debtors | <u>4,334</u> | <u>-</u> |
| | <u>23,412</u> | <u>9,308</u> |
| | | |
| 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 31.3.22 | 31.3.21 |
| | £ | £ |
| Bank loans and overdrafts | 7,523 | 4,303 |
| Trade creditors | 4,786 | 6,029 |
| Taxation and social security | 25,076 | 19,628 |
| Other creditors | <u>97,563</u> | <u>59,048</u> |
| | <u>134,948</u> | <u>89,008</u> |
| | | |
| 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 31.3.22 | 31.3.21 |
| | £ | £ |
| Bank loans | <u>27,174</u> | <u>34,697</u> |

Sustainability West Midlands

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

9. RESERVES

| | Income and expenditure account £ |
|----------------------|---|
| At 1 April 2021 | 32,768 |
| Surplus for the year | <u>19,275</u> |
| At 31 March 2022 | <u>52,043</u> |

10. LIMITED BY GUARANTEE

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

Sustainability West Midlands

Detailed Income and Expenditure Account for the Year Ended 31 March 2022

| | 31.3.22 | | 31.3.21 | |
|---------------------------------------|---------------|-----------------------------|---------------|----------------------------|
| | £ | £ | £ | £ |
| Sales | | 254,688 | | 148,980 |
| Cost of sales | | | | |
| Events costs | 10,911 | | - | |
| Design, Printing and Website | 591 | | 2,260 | |
| Consultancy | <u>51,416</u> | | <u>28,931</u> | |
| | | <u>62,918</u> | | <u>31,191</u> |
| GROSS SURPLUS | | 191,770 | | 117,789 |
| Other income | | | | |
| Government grants | | <u>-</u> | | <u>13,922</u> |
| | | 191,770 | | 131,711 |
| Expenditure | | | | |
| Rent, rates and water | 6,729 | | 4,509 | |
| Insurance | 1,216 | | 1,124 | |
| Salaries and social security | 128,631 | | 95,411 | |
| Staff pension contributions | 7,577 | | 6,908 | |
| Printing, stationery and postage | 281 | | 31 | |
| Other office administrative expenses | 7,277 | | 4,398 | |
| Staff training | 3,727 | | 1,100 | |
| Recruitment Costs | 867 | | - | |
| Membership fees | 1,040 | | 634 | |
| Sundry expenses | 1,122 | | 135 | |
| Payroll & bookkeeping | 887 | | 891 | |
| Legal & professional fees | 846 | | 2,752 | |
| Finance Director support | 7,200 | | 7,420 | |
| Depreciation of tangible fixed assets | | | | |
| Computer equipment | 1,698 | | 1,305 | |
| Entertainment | 34 | | - | |
| Bad debts | <u>2,820</u> | | <u>1,000</u> | |
| | | <u>171,952</u> | | <u>127,618</u> |
| | | 19,818 | | 4,093 |
| Finance costs | | | | |
| Bank loan interest | | <u>543</u> | | <u>-</u> |
| NET SURPLUS | | <u><u>19,275</u></u> | | <u><u>4,093</u></u> |

This page does not form part of the statutory financial statements