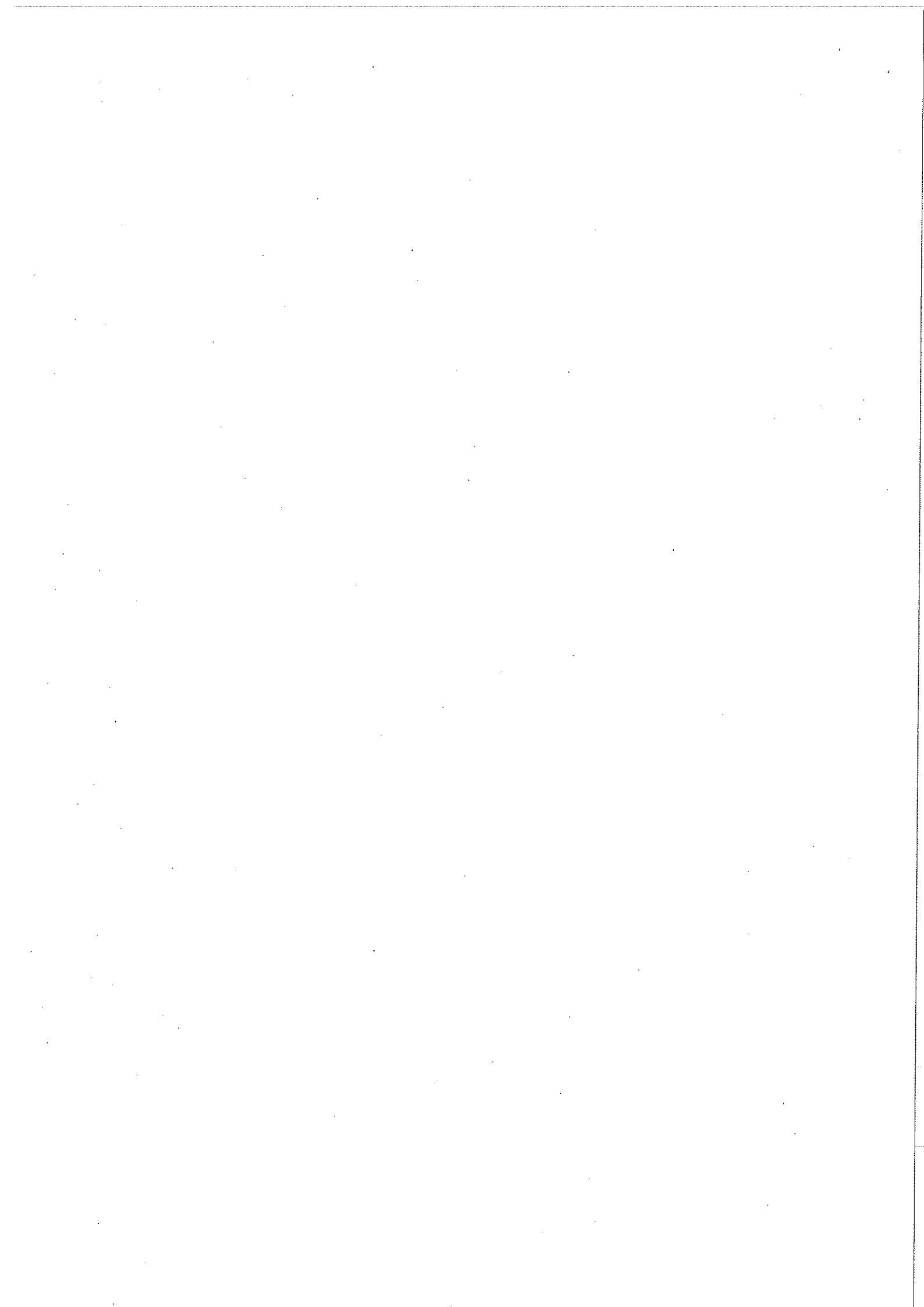


SUSTAINABILITY WEST MIDLANDS
Company Limited by Guarantee
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Company Registration Number 04390508



**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

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**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

YEAR ENDED 31 MARCH 2011

The board of directors

G R Marsh
W Briggs
R G Elsdon
M Kinghan
D M Pearce
M H Sitton-Kent
A Passmore
S Slater
J King
W Saleem
Councillor P Tilsley
A Taylor
J Cotgreave
Councillor D Stratford Smith
P A Sutton

Company secretary

S Slater

Business address

Lockside
5 Scotland Street
Birmingham
B1 2RR

Registered office

As above

Auditor

RSM Tenon Audit Limited
Charterhouse
Legge Street
Birmingham
B4 7EU

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

The directors present their report and the financial statements of the company for the year ended 31 March 2011.

Principal activities and business review

The principal activity of the company during the year was as a "not for profit" organisation to communicate, promote, educate and advocate sustainable development in all its forms.

Review of business

Introduction

Sustainability West Midlands is the sustainability adviser for the leaders of the West Midlands. We are a not-for-profit company that works with its members, who are leading individuals and organisations in the business, public, and voluntary sectors. Our Board is private sector led and has cross-sector representation; it is supported by our team of staff and associates.

We play our part by acting as a catalyst for change through our advice to leaders, developing practical solutions with our members, and sharing success through our communications

Our Vision:

By 2020 businesses and communities are thriving in a West Midlands that is environmentally sustainable and socially just. By 2012 our leaders are clear on what this looks like, have set clear milestones and their organisations are making strong progress.

Our Mission:

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

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 Products and Services:

We focus our products and services on three main areas of activity for our customers who are leaders in the West Midlands. These are:

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

- **Roadmap for a sustainable West Midlands in 2020** - developing ideas, milestones, and tools of how the West Midlands could become a place when businesses and communities are thriving in a way that is environmentally sustainable and socially just.

- **Lower carbon economy for business** - developing ideas, tools, and networks to improve the impact of carbon reduction policy and to create new business opportunities within a low carbon economy.

- **Improved well being for communities** - developing ideas, tools and networks to improve the overall impact of environmental, economic and social policy on people.

Within these focus areas of activity we deliver our products and services of advice to leaders on policy, cross-sector working with our members to develop solutions and sharing success through our communications.

Progress during 2010-11

We evaluate our impact through a number of measures related to our objectives and products and services:

- strategic added value - feedback from our policy advice and developing cross-sector solutions with our members

- sharing good practice - feedback from the use of our case studies service, newsletter, and website

- organisational and financial - performance against organisational targets and annual audited accounts

Over this period we had our most successful year to date in terms of strategic impact for sustainability within the region, despite uncertain times for the economy and the collective governance of the West Midlands. Some highlights are:

Strategic Added Value - policy advice and developing cross-sector solutions with our members

In September 2010 working with our partners Business in the Community we successfully secured HRH Prince Charles to use Birmingham as the 'hub' event of his national environmental campaign 'START'. We expanded our initial **event on sustainable behaviour** change to include an exhibition of the best green award winners in the West Midlands in Millennium Point. This included a display of electric cars and a sustainable fashion show. The media coverage and feedback from the Palace indicated this was the most diverse and cross-sector of any of the national events within the tour.

We ran our first **top 50 green leaders competition** which helped identify key individuals with a track record of achievement in sustainability from the private, public, and voluntary sector. The winners were presented their certificates at a celebration event with Jonathon Porritt. These awards generated extensive West Midlands and local media coverage.

We held a series of high profile seminars around our plans for the West Midlands. These were called '**Vision 2020 - voices from the future**' and included Professor Tony Marmont on energy, Tim Jackson on food, and Professor Julia King on transport. Sara Parkin also led a session on leadership with our members at our Annual General Meeting.

We began a newsletter mail out of our **West Midlands leaders update** every six months for over 150 leaders in the West Midlands from the private, public, and voluntary sectors. This included highlighting the sustainability priorities for the West Midlands and 'green leaders' and award winning good practice and case studies in their geographical or sector areas.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

We ran a series of workshops and events around how the **low carbon economy evidence base** for our previous work for the City Region and the West Midlands Regional Economic Strategy could be applied to local economic assessments and be used for the emerging local enterprise partnerships.

We continued with **Business Futures**, a successful good practice network between large companies and existing business networks to improve the coordination and uptake of sustainability support. This included an event around the future of low carbon business support to help inform our partners future bids and development in this area. We were also asked to develop a bid for low carbon business to business mentoring for European Funding. We will know if this bid is successful towards the end of 2011.

We advised and helped Centro to launch their **green transport charter** to encourage public transport operators to work together to share good practice on behaviour change and carbon. This is a first for an integrated transport authority in the UK.

We built on the foundations of our previous City region low carbon leadership programme to secure and develop a £950,000 Government fund for the West Midlands around Climate Change Skills. Sustainability West Midlands were subsequently awarded the programme management role. This became the **Low Carbon Economy Programme**. SWM has been credited by partners as successfully retaining the programme for the region in the face of Government cuts. As a result the programme will be rolled out over the next 12 months to help deliver support to local authorities.

As part of the Low Carbon Economy Programme we produced a **benchmark assessment of local authority climate change good practice**. This has helped identify need and good practice within the West Midlands and has been developed by other regions. We have produced a **review of existing climate change toolkits** to help inform the commissioning of new support. This has also been used by other regions and nationally. We have also advised on a regional renewable energy study to inform the programme and held a **low carbon leadership summit** with leaders around different forms of low carbon finance.

We Chaired the **Birmingham Environment Partnership on carbon reduction**. We worked with partners to produce an annual carbon monitoring report for the City, the consultation and evidence base for **Birmingham's first Energy Strategy**, and a business plan for the future of the wider Environment Partnership which secured future support from the Council. The partnership also continued the expansion of Birmingham Energy Savers - the largest housing energy efficient retrofit to date in any local authority within the UK.

We supported our voluntary sector partners through a **sustainable communities conference around the green economy**. We established the **voluntary and community sector leadership group** who have advised and secured funding for a range of activities such as community renewables.

Towards the end of the year we were asked by the Government and the Environment Agency to take back on the accountable role for the **West Midlands Climate Adaptation Partnership**. We are currently working with partners to develop this further.

Sharing good practice - feedback from the use of our case studies service, newsletter, and website

We continued a **regional awards service** where we write up and publicise sustainability award winners within the West Midlands and encourage others to enter regional and national awards. After the second year we have over 100 case studies of good practice within the region, including national award winners in housing, business, education and communities. The Department for Environment Farming and Rural Affairs and Central Office of Information has informed us that our website continues to be the first port of call by Government in seeking sustainability good practice examples within the West Midlands.

SUSTAINABILITY WEST MIDLANDS COMPANY LIMITED BY GUARANTEE

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

We produced our **monthly e-newsletter** updating our members and stakeholders about key regional sustainability issues, events, resources and SWM project updates. This year it has grown from 700 to around 1000 subscribers.

We updated our **website**, and launched our twitter and other social media channels, setting out information about ourselves, our projects, resources, and signposting to relevant support agencies. The signposting information we have developed is now also used by other organisations such as local green business clubs and Business in the Community. The unique monthly website visitors have grown from 800 to around 2000.

In total over this period we have run or supported over 30 events reaching an audience of over 2000 people from our target audience of leaders and advisers drawn from the private, public and voluntary sector. We have also been asked to present on our experience of developing a low carbon economy internationally, including China and the United Nations.

Organisational and financial performance - annual audited accounts and targets

We have experienced our best year to date in terms of financial performance. This has included a turnover of over £436,872. Around a quarter of this was core funding from Advantage West Midlands which has supported our business set up and basic infrastructure - office, staff, website, and events to deliver many of our business plan priorities. Our **core funding has helped us to lever in match funding** to deliver the remainder of our business plan.

As we have continued to rapidly grow we have also worked hard to revise our finance, human resources, governance structures, policies and processes to help us minimise costs and continue during a time of uncertainty around future funding and customers. RegenWM our host organisation has provided an excellent 'business incubator' service to SWM when we were just one member of staff. Due to Government cuts RegenWM closed in November 2010. Our new canal side offices are with Groundwork UK in Birmingham and provide us the greater space we require while significantly reducing our overheads.

We have grown our core team of the Executive Director and two project officers to include a local authority programme manager and intern. We have continued to use our panel of associates to deliver a range of our project work in partnership with our members. This **organisational structure is continuing to prove an effective model** of core staff and infrastructure to help retain knowledge, lever in resources and support our members while having the flexibility to expand or contract to reflect the requirements of additional work.

We are committed to **staff development** and follow the good practice principals set out by Investors in People. We have also provided placements for an undergraduate student, and three **graduate interns** during a year that has been a challenging job market for new graduates. In October 2010 we turned this experience into our graduate careers service which advertises and brokers graduate jobs and placements within the sustainability sector in the West Midlands. To date we have directly created placements or helped secure employment for 7 graduates and helped many others.

The overall review of our business plan for 2010-11 by our Board revealed that of the 31 areas of activity, 22 were on target, 6 required more action, and 3 areas had failed to achieve their targets. This information has helped to inform this year's business plan.

Forward look for 2011-12

We are into the third year of our three year business plan that has been developed with our partners and which continues to concentrate on our key areas.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The plan includes the delivery of the low carbon economy programme, a refocusing of our website and communications around the key sustainability priorities emerging from vision 2020, and becoming more of a hub for good practice networks.

Our Advantage West Midlands core funding ended in March 2011. However we have managed to continue through a range of reserves and ongoing contracts. The challenge remains to gain enough new foundation investors, national and local contracts by March 2012 to continue to deliver our vital role.

Through our new projects, customers and work for the emerging local enterprise partnerships the demand for our services has never been greater.

Key performance indicators

The nature of our organisation means that the performance we seek to measure is the influence and impact of our services such as policy advice, events, and communications. These measures are incorporated into our business processes and reported to the Board to help inform our annual business plan.

Reserves Policy

This year the Board agreed to work towards generating a reserve to reflect good practice and to help the organisation bridge the gap between the end of our core contract from Advantage West Midlands and new funding and customers being secured. Thanks to our funders this year who have encouraged us to generate surplus where possible from our existing contracts to create this reserve. This will help us to continue to deliver our mission of sustainability advice to leaders in the West Midlands.

Advisers

The business model for the delivery of our core objectives involves the very helpful input and contribution from the wider membership and partnership with local organisations as advisors to the Board. This year these have included Olwen Dutton (Chief Executive of West Midlands Leaders Board) and Nic Cole (Government Office West Midlands). We wish them well in their new roles.

The Board thanks the many partner organisations of "SWM" for their enthusiastic and constructive involvement over the past year.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

Directors

The directors who served the company during the year were as follows:

G R Marsh
W Briggs
R G Elsdon
M Kinghan
D M Pearce
J M Sharpe
J M N Sidebotham
M H Sitton-Kent
B S Willis Brown
A Passmore
S Slater
J King
W Saleem
Councillor P Tilsley
A Taylor
J Cotgreave
Councillor D Stratford Smith
P A Sutton

J Cotgreave was appointed as a director on 17 September 2010.

P A Sutton was appointed as a director on 18 March 2011.

J M Sharpe resigned as a director on 21 January 2011.

J M N Sidebotham resigned as a director on 5 October 2010.

B S Willis Brown resigned as a director on 15 July 2011.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2011

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

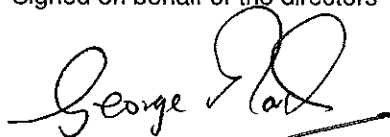
In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the directors



G R Marsh

Director

Approved by the directors on 15 July 2011

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUSTAINABILITY WEST MIDLANDS**

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Sustainability West Midlands for the year ended 31 March 2011 on pages 11 to 16. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 7 to 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUSTAINABILITY WEST MIDLANDS *(continued)***

YEAR ENDED 31 MARCH 2011

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



Peter Whitehead BA FCA, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited
Statutory Auditor
Charterhouse
Legge Street
Birmingham
B4 7EU

15 July 2011

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2011

	Note	2011 £	2010 £
Turnover		396,102	247,684
Cost of sales		(171,884)	(62,777)
Gross profit		<u>224,218</u>	<u>184,907</u>
Administrative expenses		(191,044)	(185,654)
Operating profit/(loss)	2	<u>33,174</u>	<u>(747)</u>
Interest receivable		197	30
Profit/(loss) on ordinary activities before taxation		<u>33,371</u>	<u>(717)</u>
Tax on profit/(loss) on ordinary activities	4	(7,823)	-
Profit/(loss) for the financial year		<u>25,548</u>	<u>(717)</u>

The notes on pages 13 to 16 form part of these financial statements.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

Registered Number 04390508

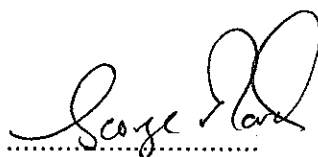
BALANCE SHEET

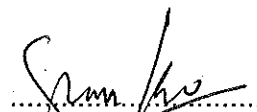
31 MARCH 2011

	Note	2011 £	£	2010 £	£
Current assets					
Debtors	5	64,945		97,781	
Cash at bank		90,222		73,439	
		<u>155,167</u>		<u>171,220</u>	
Creditors: Amounts falling due within one year	7	<u>(129,116)</u>		<u>(170,717)</u>	
Net current assets			<u>26,051</u>		<u>503</u>
Reserves					
Profit and loss account	11		26,051		503
Members' funds			<u>26,051</u>		<u>503</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 15 July 2011, and are signed on their behalf by:


.....
G R Marsh
Director


.....
S Slater
Director

The notes on pages 13 to 16 form part of these financial statements.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

Going concern

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the future revenue of the company and therefore grants awarded to cover administration costs are key to the continued operations of the company.

The general uncertainty following the announced closure of the key grant provider for coverage of the administration costs, Advantage West Midlands (AWM), creates a risk that the administrative running costs will not be covered. However, the company is already in the process of sourcing, and has already successfully secured, other forms of income from the private and public sector to cover the majority of these costs, for the next financial year.

The company has previously demonstrated its ability to reduce overheads to meet the level of income received, and the directors are confident that the company will continue to attract all of the funding it requires over the next 12 months or will take the necessary steps to ensure it can continue to trade with available resources and it is therefore appropriate to prepare financial statements on a going concern basis.

Turnover

Turnover represents grants and donations received in respect of the principal activities of the company. Income is recognised as follows:

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

Pension costs

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 an independently administered fund.

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. Accounting policies (continued)

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Non-cash donations

Where the company receives non-cash donations, such as time spent or services provided by employees of partner organisations, these are recognised at the value to the company only where this can be quantified.

2. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2011	2010
	£	£
Staff pension contributions	3,798	988
Auditors' remuneration	<u>2,025</u>	<u>1,975</u>

3. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2011	2010
	£	£
Aggregate remuneration	<u>64,091</u>	<u>63,772</u>

4. Taxation on ordinary activities

Analysis of charge in the year

	2011	2010
	£	£
In respect of the year:		
UK Corporation tax	7,000	900
Over/under provision in prior year	(77)	-
	<u>6,923</u>	<u>900</u>
Deferred tax:		
Origination and reversal of timing differences	<u>900</u>	<u>(900)</u>
Tax on profit/(loss) on ordinary activities	<u>7,823</u>	<u>-</u>

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

5. Debtors

	2011	2010
	£	£
Trade debtors	62,493	91,769
Other debtors	2,452	5,112
Deferred taxation (note 6)	-	900
	<u>64,945</u>	<u>97,781</u>

6. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

	2011	2010
	£	£
Included in debtors (note 5)	-	900

The movement in the deferred taxation account during the year was:

	2011	2010
	£	£
At 1 April 2010	900	-
Profit and loss account movement arising during the year	(900)	900
At 31 March 2011	<u>-</u>	<u>900</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2011	2010
	£	£
Excess of depreciation over taxation allowances	-	900
	<u>-</u>	<u>900</u>

7. Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	22,543	19,872
Corporation tax	7,000	900
Other taxation and social security	7,630	13,653
Other creditors	91,943	136,292
	<u>129,116</u>	<u>170,717</u>

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

8. Pensions

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £7,426 (2010: £4,598).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

9. Related party transactions

During the year Bates Wood Limited, of which J M Sharpe is a director, received £nil (2010: £2,000) as consultancy fees. All transactions were arms length transactions.

The Board agreed on 10 July 2009, that with an associate framework in place, non-executive directors could no longer receive financial benefit from Sustainability West Midlands activities and therefore no other related party transactions have arisen since that date.

10. Company 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.

11. Profit and loss account

	2011	2010
	£	£
Balance brought forward	503	1,220
Profit/(loss) for the financial year	<u>25,548</u>	<u>(717)</u>
Balance carried forward	<u>26,051</u>	<u>503</u>

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2011

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 9 to 10.**

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2011

	2011		2010	
	£	£	£	£
Turnover		396,102		247,684
Cost of sales				
Purchases	12,042		11,147	
Design, Printing and Website	3,618		11,084	
Consultancy	<u>156,224</u>		<u>40,546</u>	
		(171,884)		(62,777)
Gross profit		224,218		184,907
Overheads				
Administrative expenses		(191,044)		(185,654)
Operating profit/(loss)		33,174		(747)
Bank interest receivable		<u>197</u>		<u>30</u>
Profit/(loss) on ordinary activities		<u>33,371</u>		<u>(717)</u>

**SUSTAINABILITY WEST MIDLANDS
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2011

	2011		2010	
	£	£	£	£
Administrative expenses				
Personnel costs				
Directors salaries	60,463		60,162	
Directors pensions	3,628		3,610	
Wages and salaries	66,130		30,176	
Staff pension contributions	3,798		988	
		134,019		94,936
Establishment expenses				
Rent, rates and water	24,834		28,647	
Insurance	448		614	
		25,282		29,261
General expenses				
Travel and subsistence	2,318		1,053	
Printing, stationery and postage	307		134	
Other office administrative expenses	1,399		8,685	
Staff training	644		355	
Recruitment Costs	-		3,730	
Sundry expenses	276		662	
Donations	-		250	
VAT Irrecoverable/(refund)	15,292		18,512	
Entertaining	398		329	
Membership Fees	-		4,380	
Legal and professional fees	315		875	
Consultancy Fees	-		14,611	
Accountancy fees	8,734		5,871	
Auditors' remuneration	2,025		1,975	
		31,708		61,422
Financial costs				
Bank charges		35		35
		191,044		185,654
Interest receivable				
Bank interest receivable		197		30