

**autism.west midlands**

**Consolidated Financial Statements**

**Year ended 31 March 2012**

**Charity number: 517077**

**Company number: 1953344**

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**Consolidated financial statements**  
**for the year ended 31 March 2012**

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autism west midlands is the leading provider of specialist autism services in the West Midlands. We are a charity supporting people across the autism spectrum and their families, through residential homes, supported living, family support and helpline services, training, and support into employment.

### **Our vision and mission**

Our vision is a world where all people on the autism spectrum have the professional care and support they need to lead fulfilling and rewarding lives. Our mission is to provide professional care and support to as many people as possible on the autism spectrum and to their families, and to improve public understanding of autism.

### **Chairman's Remarks**

The past year has been a year of consolidation, including some remarkable successes. The charity continues to expand its activities and to strengthen relationships with Local Authorities, with the Autism Alliance, and with the University of Birmingham. We are now represented on the Board of the Autism Alliance – the largest network of UK autism charities. In that capacity, we wrote the response to the NICE Guideline on support and diagnosis for adults with autism.

Our services continue to flourish. We have approval from CQC to expand provision at Upper Ford Lodge from eight to ten residents. We also were successful in obtaining funding from the Department of Health (The Social Enterprise Investment Fund) to convert unused space at 12 Oakfield Road into an emergency referral centre.

All of our residential services have been inspected by CQC without advance notice, and all have done well – two of them coming through with not a single recommendation for improvement. These results show the high standard of care and professionalism from our front-line staff – underlined by outstanding results from a survey of parents of residents, with 100% satisfaction scores in virtually every category.

In March 2012 we ran our first annual conference, very successfully, with outstanding speakers and very favourable feedback from attendees. More conferences follow this autumn and next year.

June 2012 saw us move into a new Head Office building with greatly improved space and layout – allowing us to expand our training operations and, very importantly, to welcome service users and their families into our building to a far greater extent than was possible before. The fitting-out of the building was helped by generous gifts of furniture from the Law Society and the Carbon Trust, and above all by a £50,000 grant from the Whalley White Charitable Trust, which funded a resource centre for service users.

I would like to thank all the staff who have made this possible, especially the front-line staff whose dedication, in often challenging circumstances, makes all the difference.



**David Ramsay**  
Chairman

**8<sup>th</sup> October 2012**

**CHIEF EXECUTIVE'S REPORT**  
**For the year ended 31 March 2012**

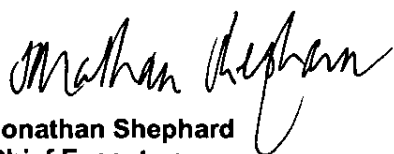
We continue to live in interesting times, and continue to do well against a challenging context. There is a continuing and increasing need for specialist autism care and support – and an increasing recognition that timely, expert intervention saves money in the long run, and has profound beneficial effects on people's lives.

I do need to mention a post balance-sheet event, which is the sale of Coddington Court. This building, unoccupied for three years, has been a diminishing asset for the charity but we have now been able to crystallise its value and no longer have the running costs of keeping an unused building weather-tight, secure, and insured. The sale has allowed us to repay our bank loans in full and also make a sizeable repayment to The Shirley Foundation, whose generous support has been invaluable over many years. The sale of Coddington Court moves us into a new environment, where we are able to consider possibilities for a wider range of projects.

At one remove, we have spent the past year as part of a working group to set up a specialist diagnostic and assessment centre for the West Midlands, co-located with a more local advice and signposting service for people within easy reach of Birmingham. This project now looks close to reality, and will be located in our new head office building – allowing a seamless link between diagnosis, assessment, and the advice and support which our own charity can provide.

We are moving into befriending services, and already have 300 potential volunteers on our books. We are also building links with the University of Birmingham and with Coventry University and Birmingham City Council has engaged us to train their staff in autism awareness, and is funding an e-learning package. We are active members of the Birmingham Autism Partnership Board, and we drafted the adult autism strategy for the Partnership Board.

Specialist autism charities need to differentiate themselves from generalist providers. We do this, principally, by our understanding of autism and our practical care and support. The additional dimensions in this charity are the training capability, the practical advice to local Authorities in implementing autism strategies, and the willingness to engage with other partners to provide solutions that benefit people with autism and their families.



**Jonathan Shephard**  
**Chief Executive**

**8<sup>th</sup> October 2012**

## Report of the Trustees for the year ended 31 March 2012

### REFERENCE AND ADMINISTRATIVE DETAILS

The Board of Trustees, who are also directors of the Charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2012. The Board of Trustees has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005 in preparing the annual report and financial statements of the Charity.

### Board of Trustees

- x Gurdip Singh
- x John Taylor
- x David Ramsay, Chair
- Ali Tomlinson (resigned 8 June 2011)
- Bev Brittain (resigned 31 December 2011)
- Brett Welch
- Justine Morton
- John Drozd
- Stephen Gooden (appointed 13 August 2012)
- Glenys Jones (appointed 13 August 2012)

### Key

- Members of the Finance Committee
- x Member of Senior Staff Remuneration Committee

### Senior Management

Chief Executive and Company Secretary	Jonathan Shephard
Head of Regulated Activity	Anabel Sainza-Fernandez
Head of Finance	Daniel Paget
Head of Marketing and Communications	Sarah Francis
Development Manager	Kate Race

### Principal/Registered office

Regent Court, George Road, Edgbaston, Birmingham, B15 1NU

### Auditors

Michael Kay & Company Ltd, 2 Water Court, Water Street, Birmingham B3 1HP

### Bankers

The Co-operative Bank plc, 118/120 Colmore Row, Birmingham, B3 3BA

### Solicitors

Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London, EC4M 6YH

**Report of the Trustees for the year ended 31 March 2012 (continued)**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing and Internal Control**

**a) Governing Document**

The Charity is a charitable company limited by guarantee and was set up on 7 October 1985. It is governed by a Memorandum and Articles of Association. Its objects are to improve the conditions of life for persons who experience mental or physical impairments or disorders in the region of the West Midlands, in particular persons who have Autistic Spectrum Disorders, whether or not these conditions are associated with other disabilities, during the whole of their lives including their care, welfare, treatment, education, family and social interests. In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's guidance on public benefit.

In formal terms, the membership of the charity is coterminous with the Trustees. The Articles require the Trustees to advertise Associate Membership of the charity. Associate Members have reserve powers to call in the Visitor to the charity, who has the power to remove Trustees.

**b) Appointment of Trustees**

Details of Trustees are listed on page 3. The Board of Trustees may fill vacancies arising during the year by appointing Trustees themselves but any Trustee so appointed shall retain their office only until the next Annual General Meeting when they shall be eligible for re-election. Otherwise, Trustees shall be appointed at a General Meeting by the members of autism west midlands.

Any appointments are made with due regard to the broad range of relevant skills required by the Board of Trustees and the specialist skills and experience offered by the applicant Trustee.

No Trustee reclaimed any expenses from the Charity during the year.

**c) Trustee Induction and Training**

Each Trustee undertakes induction training which comprises visits to each service, induction meetings with all senior staff and service leaders, issuing with corporate policies, and procedures and mentoring by an existing Trustee during the induction period.

Individual Trustee training is undertaken by Trustees on a needs basis.

**d) Organisation**

The governing body of the Charity is the Board of Trustees which may have up to 12 members. The Board currently has 8 members and has met 4 times during the year together with the Senior Management Team. The Chief Executive is empowered by the Trustees to manage the day to day operations of the charity.

**e) Subsidiary company**

The Charity owns 100% of the share capital of autism west midlands (sales) Limited, a company which has not traded during the year to 31 March 2012. The Charity also owns 100% of the share capital of Autism Central Limited, company which has not traded during the year to 31 March 2012.

**f) Statement of Trustees' Responsibilities**

Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those financial statements, the Board of Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements, and

**Report of the Trustees for the year ended 31 March 2012 (continued)**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**g) Risk and Internal Control**

The Board of Trustees has overall responsibility for ensuring that the Charity has appropriate systems of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively,
- its assets are safeguarded against unauthorised use or disposition,
- proper records are maintained and financial information used within the Charity or for publication is reliable,
- the Charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- an annual budget approved by the Board of Trustees,
- regular consideration by the Board of Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews,
- delegation of authority and segregation of duties,
- identification and management of risks.

The Board of Trustees has introduced a formal risk management process to assess business risks and implement risk management strategies and this is managed by the Finance Committee. This involved identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks.

**h) Reserves**

The Trustees have adopted a reserves policy which they consider appropriate to ensure the continued ability of the charity to meet its objectives. No changes were made to the reserves policy during the year.

The charity aims to build free reserves equivalent to three months of total unrestricted resources expended. At 31 March 2012 that level should be £1,481,706 and the current level of free reserves is nil. The unrestricted funds at 31 March 2012 are in surplus in the sum of £426,077 after taking into account the revaluation reserve of £797,743.

The Trustees anticipate that the Charity will restore the cash free reserves to surplus in future years.

**Report of the Trustees for the year ended 31 March 2012 (continued)**

**Financial review**

Net incoming resources (before revaluation and impairment charges) decreased by £119,422 in 2012 to £175,178 as a result of increased costs. The cost base has now stabilised so, although the market in which we operate remains challenging, we expect net incoming resources in 2013 to be similar to that reported in 2012.

**Employee involvement**

The Charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interest.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

**Disabled persons**

The Charity's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and activities.

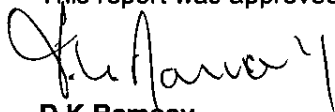
**Disclosure of information to auditors**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**Auditors**

In accordance with the company's articles a resolution proposing that Michael Kay & Company Limited be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board of Trustees on 8<sup>th</sup> October 2012.



**D K Ramsay**  
Chairman

**AUDITORS' REPORT TO THE MEMBERS OF  
autism.west midlands**

**Independent Auditor's Report to the members of autism.west midlands**

We have audited the financial statements of autism west midlands for the year ended 31<sup>st</sup> March 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

This report is made solely to the charitable 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 charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4 & 5, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 affairs of the Charity and the Group as at 31<sup>st</sup> March 2012, 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 Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

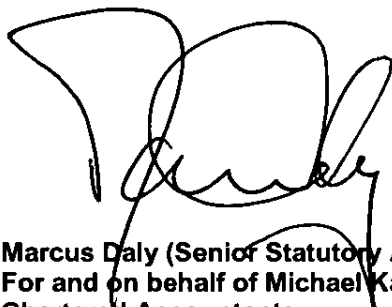
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**AUDITORS' REPORT TO THE MEMBERS OF  
autism west midlands (continued)**

**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 trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Marcus Daly (Senior Statutory Auditor)  
For and on behalf of Michael Kay & Company Ltd  
Chartered Accountants  
Statutory Auditor**

**8<sup>th</sup> October 2012  
2 Water Court  
Water Street  
Birmingham B3 1HP**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**Incorporating an Income and Expenditure Account**  
**for the year ended 31 March 2012**

INCOMING RESOURCES	Note	Restricted funds	Unrestricted funds	Total 2012	Total 2011
		£	£	£	£
<b>Incoming resources from generated funds</b>					
Voluntary income	2	249,995	110,681	360,676	38,239
Activities for generating funds		-	15	15	885
Investment income	3	-	95	95	69
<b>Total incoming resources from generated funds</b>		<u>249,995</u>	<u>110,791</u>	<u>360,786</u>	<u>39,193</u>
<b>Incoming resources from charitable activities</b>					
Continuing activities		371,962	6,162,031	6,533,993	6,641,868
<b>Total incoming resources from charitable activities</b>		<u>371,962</u>	<u>6,162,031</u>	<u>6,533,993</u>	<u>6,641,868</u>
<b>Total Incoming Resources</b>		621,957	6,272,822	6,894,779	6,681,061
<b>Less. Cost of generating funds</b>		-	(19,560)	(19,560)	(34,515)
Governance costs		-	(7,413)	(7,413)	(4,432)
<b>Net incoming resources available for charitable applications</b>		<u>621,957</u>	<u>6,245,849</u>	<u>6,867,806</u>	<u>6,642,114</u>
<b>Resources expended on Charitable activities</b>					
Continuing activities		595,611	5,926,825	6,522,436	6,179,535
Discontinued activities		-	168,874	168,874	167,979
<b>Total resources expended on Charitable activities</b>	4	<u>595,611</u>	<u>6,095,699</u>	<u>6,691,310</u>	<u>6,347,514</u>
<b>Net incoming resources before revaluation</b>		26,346	150,150	176,496	294,600
<b>Revaluation of tangible fixed assets</b>		-	-	-	553,262
<b>Impairment charge</b>	7	-	(370,000)	(370,000)	-
<b>Net Movement in funds</b>					
Continuing activities		26,346	319,024	345,370	1,015,841
Discontinued activities		-	(538,874)	(538,874)	(167,979)
<b>Total net movement in funds</b>		<u>26,346</u>	<u>(219,850)</u>	<u>(193,504)</u>	<u>847,862</u>
<b>Total funds brought forward</b>		<u>31,243</u>	<u>645,927</u>	<u>677,170</u>	<u>(170,692)</u>
<b>Total funds carried forward</b>		<u>57,589</u>	<u>426,077</u>	<u>483,666</u>	<u>677,170</u>

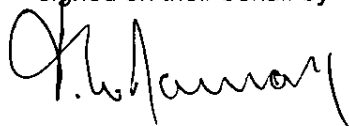
There are no recognised gains and losses in either of the above years other than the total incoming and outgoing resources for the year

## CONSOLIDATED AND CHARITY BALANCE SHEETS

31 March 2012

	Notes	Group		Charity	
		2012	2011	2012	2011
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5	1,684,229	1,672,065	1,684,229	1,672,065
Investments	6	-	-	101	100
		<u>1,684,229</u>	<u>1,672,065</u>	<u>1,684,330</u>	<u>1,672,165</u>
<b>Current assets</b>					
Stock		-	1,917	-	1,917
Freehold properly held for sale	7	1,130,000	1,500,000	1,130,000	1,500,000
Debtors	8	438,890	518,106	438,890	518,106
Cash at bank and in hand		324,765	134,204	324,765	134,204
		<u>1,893,655</u>	<u>2,154,227</u>	<u>1,893,655</u>	<u>2,154,227</u>
<b>Creditors</b> - (amounts falling due within one year)	9	<u>(2,150,782)</u>	<u>(752,967)</u>	<u>(2,150,883)</u>	<u>(753,067)</u>
<b>Net current (liabilities)/assets</b>		<u>(257,127)</u>	<u>1,401,260</u>	<u>(257,228)</u>	<u>1,401,160</u>
<b>Total assets less current liabilities</b>		<u>1,427,102</u>	<u>3,073,325</u>	<u>1,427,102</u>	<u>3,073,325</u>
<b>Creditors</b> - amounts falling due after more than one year	10	<u>(943,436)</u>	<u>(2,396,155)</u>	<u>(943,436)</u>	<u>(2,396,155)</u>
		<u>483,666</u>	<u>677,170</u>	<u>483,666</u>	<u>677,170</u>
<b>Represented by :</b>					
<b>Restricted income funds</b>	11	57,589	31,243	57,589	31,243
<b>Unrestricted income funds</b>					
Unrestricted funds	12	(371,666)	(151,816)	(371,666)	(151,816)
Revaluation reserve	12	797,743	797,743	797,743	797,743
		<u>483,666</u>	<u>677,170</u>	<u>483,666</u>	<u>677,170</u>

The financial statements on pages 9 to 22 were approved by the Board of Trustees on 8<sup>th</sup> October 2012 and signed on their behalf by



D K Ramsay (Chairman)

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2012

	Note	2012		2011	
		£	£	£	£
<b>Net cash inflow from operating activities</b>	17		487,838		629,577
Interest received		95		69	
Interest paid		(33,552)		(43,904)	
<b>Net cash outflow from returns on investments and servicing of finance</b>			(33,457)		(43,835)
Payments to acquire tangible fixed assets		(84,517)		(25,136)	
Receipts from sale of tangible assets		4,860		-	
<b>Net cash outflow from capital expenditure</b>			(79,657)		(25,136)
<b>Net cash inflow before financing</b>			374,724		560,606
<b>Financing</b>					
Net repayment of loans	18	(184,163)		(41,867)	
			(184,163)		(41,867)
<b>Increase in cash in the year</b>	18		190,561		518,739

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**31 March 2012**

**1 Accounting policies**

**a) Basis of preparation**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in March 2005, applicable Accounting Standards and in accordance with the Companies Act 2006

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiary undertakings are consolidated on a line by line basis.

The Charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Acts formats to reflect the special nature of the Charity's activities. No separate SOFA has been prepared for the parent company as permitted by Section 480 of the Companies Act 2006 and Paragraph 397 of the SORP.

These financial statements have been prepared on a going concern basis which assumes that the activities of the organisation are expected to generate a surplus for the year ended 31 March 2013 onwards and that the organisation continues to develop new services to meet the needs of service users within funding guidelines. In addition, the Shirley Foundation and The Co-Operative Bank plc have agreed to reschedule the repayment of their debts as detailed in Note 10.

**b) Company status**

The Charity is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**c) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

**d) Incoming resources**

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. No amounts are included in the financial statements for services donated by volunteers.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**31 March 2012**

**e) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Head Office.

Governance costs are the costs associated with the governance arrangements of the Charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the Charity's activities.

**f) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation, less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation on a straight line basis over their expected useful economic lives as follows -

Freehold buildings	nil
Long leasehold buildings	nil
Motor vehicles	3 years
Fixtures, fittings & computer equipment	3 to 5 years

Freehold and leased properties are stated at open market value for existing use. A full valuation is carried out every five years, with an interim valuation in year three and in other years where it is likely that there has been a material change in value.

Where impairment in value has taken place and the recoverable amount of a fixed asset has fallen below its carrying amount, the asset will be shown at the higher of the net realisable value or value in use.

**g) Fixed asset investments**

Fixed asset investments are stated at cost.

**h) Stock**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value.

**i) Pension costs**

The company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.

**j) Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

**k) Irrecoverable VAT**

The Charity is not registered for VAT and therefore expenditure included within the accounts includes VAT where incurred.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**31 March 2012**

**2 Voluntary income**

	<b>2012</b>	<b>2011</b>
	£	£
Donations and other voluntary income	<u>360,676</u>	<u>38,239</u>

**3 Investment income**

	<b>2012</b>	<b>2011</b>
	£	£
Bank interest received	<u>95</u>	<u>69</u>
	<u>95</u>	<u>69</u>

**4 Resources expended on charitable activities**

	<b>Direct Costs £</b>	<b>Support Costs £</b>	<b>2012 £</b>	<b>2011 £</b>
Continuing activities	5,653,741	868,695	6,522,436	6,179,535
Discontinued activities	<u>168,874</u>	<u>-</u>	<u>168,874</u>	<u>167,979</u>
Total	<u>5,822,615</u>	<u>868,695</u>	<u>6,691,310</u>	<u>6,347,514</u>

	<b>2012 £</b>	<b>2011 £</b>
Resources expended on charitable activities includes		
Auditors' remuneration (including expenses)		
Audit fee	11,280	11,280
Accountancy, taxation and other	-	1,080
Bank interest payable	33,552	43,904
Depreciation	48,216	90,392
Loss on disposal of Fixed Assets	19,277	-
Amounts paid under operating leases		
- Land and buildings	262,529	312,033
- Plant and machinery	<u>72,239</u>	<u>69,652</u>

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

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## 5 Tangible fixed assets

Cost	Land and buildings £	Motor vehicles £	Furniture, fixtures and fittings £	Total £
At 1 April 2011	1,595,000	16,000	1,327,747	2,938,747
Additions for year	-	-	84,517	84,517
Disposals for year	-	-	(587,117)	(587,117)
At 31 March 2012	1,595,000	16,000	825,147	2,436,147
<b>Depreciation</b>				
At 1 April 2011	-	16,000	1,250,682	1,266,682
Charge for year	-	-	48,216	48,216
Disposals for year	-	-	(562,980)	(562,980)
At 31 March 2012	-	16,000	735,918	751,918
<b>Net book value</b>				
At 31 March 2012	1,595,000	-	89,229	1,684,229
At 31 March 2011	1,595,000	-	77,065	1,672,065

The closing net book value includes fixed assets used for direct charitable purposes in the sum of £1,684,229 (2011 £1,672,065)

Land and buildings is analysed as follows

	2012 £	2011 £
Freehold	245,000	245,000
Long leasehold	1,350,000	1,350,000
	1,595,000	1,595,000

On a historical cost basis freehold land and buildings would be included at £180,519 (2011 £180,519) and long leasehold land and buildings would be included at £616,738 (2011 £616,738)

The land and buildings used for charitable purposes were valued at 31 March 2011 in the sum of £1,595,000 on an open market basis for existing use, based on a valuation prepared by a firm of independent Chartered Surveyors. In the opinion of the trustees there is no significant change in the value of these assets at 31 March 2012

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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**6 Fixed asset investments**

The investment represents 100 ordinary shares of £1 in autism west midlands (sales) Limited and 1 ordinary share of £1 each in Autism Central Limited Both companies are wholly owned subsidiaries which have been dormant since incorporation

**7 Freehold property held for sale**

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Coddington Court	<u>1,130,000</u>	<u>1,500,000</u>	<u>1,130,000</u>	<u>1,500,000</u>

There has been a further provision for impairment on the freehold land and buildings at Coddington Court School The sale of the property was completed on 21 September 2012 for £1,150,000 and it has therefore been written down to its recoverable value less estimated costs of disposal of £20,000

**8 Debtors (amounts falling due within one year)**

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Debtors	290,293	303,199	290,293	303,199
Prepayments and accrued income	78,196	183,336	78,196	183,336
Other Debtors	70,401	31,571	70,401	31,571
	<u>438,890</u>	<u>518,106</u>	<u>438,890</u>	<u>518,106</u>

**9 Creditors (amounts falling due within one year)**

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Overdraft & Bank loans (Notes 10a and 10b)	765,378	38,886	765,378	38,886
Shirley Foundation loan	542,064	-	542,064	-
Trade Creditors	400,718	150,875	400,718	150,875
Amount due to subsidiary undertakings	-	-	101	100
Other taxation and social security	81,611	84,796	81,611	84,796
Accruals and deferred income	351,726	314,482	351,726	314,482
Other Creditors	9,285	163,928	9,285	163,928
	<u>2,150,782</u>	<u>752,967</u>	<u>2,150,883</u>	<u>753,067</u>

The Bank overdraft is secured by a fixed and floating charge over the assets of the company

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31 March 2012

10	Creditors (amounts falling due after more than one year)	Group		Charity	
		2012 £	2011 £	2012 £	2011 £
	Loan from The Shirley Foundation (a)	943,436	1,537,500	943,436	1,537,500
	Bank loan – Gorse Farm	-	9,219	-	9,219
	Bank loan – Coddington Court (b)	-	849,436	-	849,436
		<u>943,436</u>	<u>2,396,155</u>	<u>943,436</u>	<u>2,396,155</u>

(a) The Shirley Foundation loan is unsecured and interest free. In September 2011, the loan agreement was amended and the loan is now repayable in monthly instalments of £6,500 until the sale of Coddington Court, rising to £15,000 after the sale. Under the amended agreement, The Shirley Foundation will receive gross proceeds from the sale of Coddington Court net of outstanding loans from the bank.

(b) The bank loans for Coddington Court are secured over the freehold land and buildings together with a fixed and floating charge over all other assets. Interest is charged at 1.75% above bank base rate and repayments are being made of £20,000 per quarter.

Given that the sale of Coddington Court completed on 21 September 2012, the loans that were repayable from the sale proceeds have been shown as falling due within one year. If the same presentation had been applied last year, the Balance Sheet would have shown net current liabilities at 31 March 2012 of £98,740 rather than net current assets of £1,401,260.

	2012 £	2011 £
Debt maturity analysis:		
Due within one year	1,307,442	38,886
Due within two to five years	720,000	1,816,000
Due in more than five years	223,436	580,155
	<u>2,250,878</u>	<u>2,435,041</u>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31 March 2012

## 11 Restricted funds

	Opening balance £	Incoming resources £	Utilised £	Closing balance £
ACT Foundation	-	100,000	100,000	-
Department of Health – Third Sector Investment	1,318	35,052	31,056	5,314
SFA	-	16,357	15,222	1,135
NHS Birmingham East & North	-	16,000	16,000	-
Rayne Foundation	-	10,000	8,860	1,140
Sandwell Borough Council (1)	31,243	9,348	40,591	-
Sandwell Borough Council (2)	-	37,056	37,056	-
Department of Health – The Social Enterprise Investment Fund	-	199,995	199,995	-
Whalley White Charitable Trust	-	50,000	-	50,000
Sandwell Primary Care Trust	-	6,000	6,000	-
Solihull Primary Care Trust	-	3,000	3,000	-
Solihull Metropolitan Borough Council	-	3,000	3,000	-
Sandwell Primary Care Trust	-	7,000	7,000	-
Shropshire Council (1)	-	48,400	48,400	-
Shropshire County Primary Care Trust	-	57,843	57,843	-
Shropshire Council (2)	-	2,450	2,450	-
Birmingham City Council	-	19,138	19,138	-
Adjustment in respect of previous year*	(1,318)	1,318	-	-
	<u>31,243</u>	<u>621,957</u>	<u>595,611</u>	<u>57,589</u>

\*Since completion of the accounts for the year ended 31 March 2011 the trustees have become aware that the disclosure of the movement on restricted funds on "Department of Health – Third Sector Investment" was incorrect. The correct disclosure for 2011 should have been – Opening balance £Nil, Incoming resources £29,343, Utilised £28,025, Closing balance £1,318. The opening balance at 1 April 2012 has been adjusted on the above disclosure to reflect the correct position.

The restricted funds represent income that may be expended only on the restricted uses described by the donor.

ACT Foundation – Family outreach workers delivering support programmes in Staffordshire, Warwickshire and Birmingham

Department of Health Third Sector Investment- Development work within the Criminal Justice Sector through raising awareness, training and provision of information, advice and guidance

SFA - Skill Funding Agency Neighbourhood Learning in deprived communities via the BEST Network – an employment programme for adults aged 19+ with autism

NHS Birmingham East & North – Support groups in Birmingham for individuals with Asperger Syndrome/High Functioning Autism

Rayne Foundation – Development work within the Criminal Justice Sector through raising awareness, training and provision of information, advice and guidance

Sandwell Borough Council (1) – Family outreach worker for Sandwell to support families with children on the Autism Spectrum

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31 March 2012

Sandwell Borough Council (2) – Short breaks project in Sandwell for young people with Autism Spectrum Disorders

Department of Health – The Social Enterprise Investment Fund – Funding to refurbish a vacant property to provide accommodation, assessment and support for individuals with autism and to acquire specialist equipment and resources

Whalley White Charitable Trust – Development of a new learning resource centre in Birmingham

Sandwell Primary Care Trust – Support groups in Birmingham for individuals with Asperger Syndrome/High Functioning Autism

Solihull Primary Care Trust – Support groups in Solihull for individuals with Asperger Syndrome

Solihull Metropolitan Borough Council – Support groups in Solihull for individuals with Asperger Syndrome

Sandwell Primary Care Trust – Community Access Programme for people with Autism Spectrum Disorders to develop skills such as self-advocacy, life skills and emotional well-being

Shropshire Council (1) – Autism Development Co-ordinators delivering training and development support for children, parents, carers and professionals in Shropshire

Shropshire County Primary Care Trust – Autism Development Co-ordinators delivering training and development support for children, parents, carers and professionals in Shropshire

Shropshire Council (2) – Specialist activities for children and young people with Autism aged 0 – 18 years

Birmingham City Council – Community Access Programme for people with Autism Spectrum Disorders to develop skills such as self-advocacy, life skills and emotional well-being

## 12 Analysis of net assets between funds

Fund balances of the group at 31 March 2012 are represented by:

	Revaluation Reserve	Unrestricted Income	Restricted Income	Total
	£	£	£	£
Tangible assets	797,743	886,486	-	1,684,229
Current assets	-	1,836,066	57,589	1,893,655
Current liabilities	-	(2,150,782)	-	(2,150,782)
Long term liabilities	-	(943,436)	-	(943,436)
	<u>797,743</u>	<u>(371,666)</u>	<u>57,589</u>	<u>483,666</u>

The trustees anticipate that the deficit on unrestricted income funds will be eliminated by the surplus generated in future years

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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<b>13</b>	<b>Employee emoluments</b>	<b>2012</b>	<b>2011</b>
		£	£
	Wages and salaries	3,889,392	3,859,587
	Social Security costs	316,086	317,644
	Pension contributions	-	2,660
		<u>4,205,478</u>	<u>4,179,891</u>
	<b>Disclosed in the accounts</b>	£	£
	Governance costs	7,413	4,432
	Charitable activities	4,198,065	4,145,121
	Cost of generating voluntary income	-	30,338
		<u>4,205,478</u>	<u>4,179,891</u>
	<b>Higher paid employees</b>	<b>Number</b>	<b>Number</b>
	£60,000-£70,000	-	1
	£80,000-£90,000	1	-
	<b>Average number of employees</b>	<b>2012</b>	<b>2011</b>
		<b>Number</b>	<b>Number</b>
	Governance	2	3
	Resources employed on charitable activities	239	251
		<u>241</u>	<u>254</u>

A number of employees are part-time

The number of higher paid employees for whom retirement benefits are accruing under money purchase schemes is nil (2011 nil)

Pension contributions in respect of higher paid employees amounted to £nil (2011 £nil)

**14 Pension costs**

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they accrue. The charge for the year was £nil (2011 £2,660)

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

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## 15 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 March 2013

Non-charitable	2012		2011	
	Land and buildings £	Other £	Land and buildings £	Other £
Expiring				
Within one year	8,790	13,146	132,649	14,860
In two to five years	47,520	40,664	70,018	25,263
In more than five years	76,694	-	109,895	-
	<u>133,004</u>	<u>53,810</u>	<u>312,562</u>	<u>40,123</u>

## 16 Related Party Transactions

During the year, the charity used the services of a temporary worker from Wellkept Financial Services, a partnership in which Brett Welch, a trustee of autism west midlands is a partner. No payments were made to Wellkept Financial Services as the temporary worker was paid directly by autism west midlands. Total payments to the temporary worker were £3,671 (a further £2,948 was paid to H M Revenue & Customs in respect of PAYE/NI for this worker).

## 17 Reconciliation of net outgoing resources to net cash inflow from operating activities

	2012 £	2011 £
Net incoming resources before revaluation and impairment charge	175,178	294,600
Interest received	(95)	(69)
Interest payable	33,552	43,904
Depreciation of tangible assets	48,216	90,392
Loss on disposal of fixed assets	19,277	-
Decrease in stocks	1,917	1,140
Decrease/(increase) in debtors	79,216	(8,096)
Increase in creditors within one year	130,577	207,706
<b>Net cash inflow from operating activities</b>	<u>487,838</u>	<u>629,577</u>

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

31 March 2012

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Analysis of net funds/debt

	1 April 2011 £	Cash flow £	31 March 2012 £
<b>Net cash :</b>			
Cash at bank and in hand	134,204	190,561	324,765
	<u>134,204</u>	<u>190,561</u>	<u>324,765</u>
<b>Debt :</b>			
Debts falling due within one year	(38,886)	(1,268,556)	(1,307,442)
Debts falling due after more than one year	(2,396,155)	1,452,719	(943,436)
	<u>(2,435,041)</u>	<u>184,163</u>	<u>(2,250,878)</u>
<b>Net debt</b>	<u>(2,300,837)</u>	<u>374,724</u>	<u>(1,926,113)</u>

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Reconciliation of net cash flow to movement in net debt

	2012 £	2011 £
Increase in cash in the year	190,561	518,739
Cash outflow from decrease in debt	184,163	41,867
<b>Movement in net debt for the year</b>	<u>374,724</u>	<u>560,606</u>
Opening net debt	(2,300,837)	(2,861,443)
<b>Closing net debt</b>	<u>(1,926,113)</u>	<u>(2,300,837)</u>

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Post balance sheet event

On 21 September 2012 the sale of Coddington Court School was completed. The gross proceeds of £1,150,000 were used to repay the balance owing on the bank loan and make part repayment of the amount owing on the Shirley Foundation loan.