

REGISTERED COMPANY NUMBER: 07077838 (England and Wales)
REGISTERED CHARITY NUMBER: 1134459

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended
30 September 2018
for**

The Pump (East Birmingham) Limited



**Locke Williams Associates LLP
Chartered Accountants
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL**

The Pump (East Birmingham) Limited

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for the Year Ended 30 September 2018**

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The Pump (East Birmingham) Limited

Report of the Trustees for the Year Ended 30 September 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The project now known as The Pump was initiated by the Prince of Wales to improve the provision for Young people in deprived urban areas. Birmingham City Council took forward the project in close collaboration with the Princes Charities and in consultation with local people, young people in particular. The Centre opened in 2007.

The Trust was established as a Charity in 2009 with the intention of taking over the building via a lease and taking full responsibility for the centre but continuing to operate in a close partnership with the City Council Youth Service. The building lease has been agreed and took effect from May 2013.

The Trusts mission is **to become and beacon and source of inspiration for the personal development of young people**. We have agreed to carry out our work in accordance with a set of core values:

- Inspiration - stimulating learning and encouraging creative thinking.
- Participation - to encourage the active involvement of young people and work in partnership with our local community.
- Equality and diversity - valuing difference and treating everyone with respect and challenging oppression and prejudice.
- Raising aspiration - realising the potential and talents that exist within all young people
- Quality - always looking for new and better ways of working
- Empowerment - placing young people at the heart of decision making by increasing capacity to make informed choices.

ACHIEVEMENT AND PERFORMANCE

Achievements for the year and review of activity

- State of the art Makerspace installed giving access to latest tech and training opportunities for young people.
- 89% of students achieving a qualification and 50% in to employment
- Key relationship with Academy Trust reinstated
- Links with BCU university developed in support of Makerspace
- New funding achieved, through Local Trusts and Foundations
- New website with increased marketing and impact
- Full occupancy with tenants
- Three year business plan devised
- Appointed new staff with skills set to facilitate creative spaces (music) programme. Creation of Creative Spaces offer - bundling key facilities as marketable resource.
- Employability offer developed and plans underway to expand and grow." Severe hit on operations through major flood damage - preventative measure in place.

FINANCIAL REVIEW

Reserves policy

The Trusts policy on reserves has been to maintain a level of reserve sufficient to cover unexpected loss of revenue – grants, rents etc., in order to maintain a level of specialism and to give time to replace income.

Designated fund - the Trust set aside £40,000 to invest in the key areas of work as outlined in the business plan to support our new operating model.

The Pump (East Birmingham) Limited

Report of the Trustees for the Year Ended 30 September 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The governing document is its Articles of Association adopted on 16 November 2009.

Charity constitution

The Pump (East Birmingham) Limited is a charity, incorporated under the Companies Act 2006 as a private company, limited by guarantee, with its registered office in England & Wales and registered with the Charity Commission in February 2010.

Recruitment and appointment of new trustees

The Directors as set out below served throughout the period of this report. The Trust also engages public and private sector partners in the management of the project.

Structure

Day to day responsibilities lie with the Project Director, Charlotte Linforth and a small team, made up of delivery staff and support staff. The Project Director reports directly to the Trustees, on all operational activity, financial issues and development of the business plan.

Any major risks and issues form part of the quarterly board meeting, or urgent matters through chairs actions and with ISO 9000 recently awarded, the Trusts systems and processes for managing risk is clearly mapped and identified with corrective and preventive actions in place.

Related parties

Key relationship with Birmingham City Council as The Pump is a strategic hub in their structure and houses youth work staff, which in turn generates income, however this is reducing and an agreement has been reached for the Trust to pay half of the project directors post over a three year period.

Strategic relationship with private sector company Aloca, which has now become Arconic plc, remains important in terms of profile and funding opportunities. In addition, we have developed our relationship with Levis Strauss which has helped secure new funding and helped position us for commerciality.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07077838 (England and Wales)

Registered Charity number

1134459

Registered office

The Pump
286 Kitts Green Road
Birmingham
B33 9SB

Trustees

B Summers	- Chairman
Ms E J Baylis	
A M Holding	
Miss L M Edwards	
Mrs M E Ball	
Mrs B Hawkesford	- appointed 1.1.18

Company Secretary

Miss J M Barrett

The Pump (East Birmingham) Limited

**Report of the Trustees
for the Year Ended 30 September 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

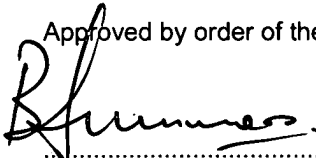
Independent examiner

Locke Williams Associates LLP
Chartered Accountants
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Bankers

Lloyds plc

Approved by order of the board of trustees on 11th January 2019 and signed on its behalf by:



.....
B Summers - Trustee

Independent Examiner's Report to the Trustees of The Pump (East Birmingham) Limited

Independent examiner's report to the trustees of The Pump (East Birmingham) Limited ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

David Williams ACA FCCA
Institute of Chartered Accountants in England and Wales
Locke Williams Associates LLP
Chartered Accountants
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date: 11 January 2019



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams ACA FCCA
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Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

The Pump (East Birmingham) Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 30 September 2018**

	Notes	Unrestricted funds £	Restricted funds £	30.9.18 Total funds £	30.9.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		53,747	221,280	275,027	186,474
Other trading activities	2	55,420	-	55,420	66,738
Investment income	3	234	-	234	176
Other income		<u>270</u>	<u>-</u>	<u>270</u>	<u>1,194</u>
Total		109,671	221,280	330,951	254,582
EXPENDITURE ON					
Raising funds		144	-	144	-
Charitable activities					
The Pump		<u>90,659</u>	<u>240,951</u>	<u>331,610</u>	<u>240,030</u>
Total		90,803	240,951	331,754	240,030
NET INCOME/(EXPENDITURE)		18,868	(19,671)	(803)	14,552
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>147,333</u>	<u>29,362</u>	<u>176,695</u>	<u>162,143</u>
TOTAL FUNDS CARRIED FORWARD		<u>166,201</u>	<u>9,691</u>	<u>175,892</u>	<u>176,695</u>

The notes form part of these financial statements

The Pump (East Birmingham) Limited (Registered number: 07077838)

**Balance Sheet
At 30 September 2018**

	Notes	Unrestricted funds £	Restricted funds £	30.9.18 Total funds £	30.9.17 Total funds £
CURRENT ASSETS					
Debtors	8	8,644	-	8,644	10,683
Cash at bank		<u>233,506</u>	<u>9,691</u>	<u>243,197</u>	<u>182,623</u>
		242,150	9,691	251,841	193,306
 CREDITORS					
Amounts falling due within one year	9	<u>(75,949)</u>	-	<u>(75,949)</u>	<u>(16,611)</u>
 NET CURRENT ASSETS		<u>166,201</u>	<u>9,691</u>	<u>175,892</u>	<u>176,695</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES		<u>166,201</u>	<u>9,691</u>	<u>175,892</u>	<u>176,695</u>
 NET ASSETS		<u>166,201</u>	<u>9,691</u>	<u>175,892</u>	<u>176,695</u>
 FUNDS	10				
Unrestricted funds:					
General fund				126,201	117,333
Local Authority funding				-	30,000
Capital projects				<u>40,000</u>	-
				166,201	147,333
Restricted funds				<u>9,691</u>	<u>29,362</u>
 TOTAL FUNDS				<u>175,892</u>	<u>176,695</u>

The notes form part of these financial statements

The Pump (East Birmingham) Limited (Registered number: 07077838)

**Balance Sheet - continued
At 30 September 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2018.

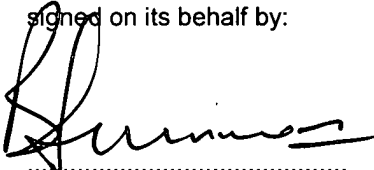
The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that 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 charitable 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 11th January 2019 and were signed on its behalf by:



.....
B Summers -Trustee

The Pump (East Birmingham) Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosure paragraph 33.7.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Donated services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

The Pump (East Birmingham) Limited

Notes to the Financial Statements - continued for the Year Ended 30 September 2018

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

2. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	30.9.18 Total funds £	30.9.17 Total funds £
Rents	36,701	-	36,701	29,706
Room hire	9,250	-	9,250	19,637
Alternative provision	-	-	-	9,746
Play scheme	5,769	-	5,769	5,783
Cafe rents and service charges	2,546	-	2,546	-
Other income	<u>1,154</u>	<u>-</u>	<u>1,154</u>	<u>1,866</u>
	<u>55,420</u>	<u>-</u>	<u>55,420</u>	<u>66,738</u>

3. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	30.9.18 Total funds £	30.9.17 Total funds £
Deposit account interest	<u>234</u>	<u>-</u>	<u>234</u>	<u>176</u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.9.18 £	30.9.17 £
Surplus on disposal of fixed asset	<u>(270)</u>	<u>(1,194)</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2018 nor for the year ended 30 September 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2018 nor for the year ended 30 September 2017.

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

6. STAFF COSTS

	30.9.18	30.9.17
	£	£
Wages and salaries	146,026	100,970
Social security costs	7,989	4,679
Other pension costs	2,742	853
	<u>156,757</u>	<u>106,502</u>

The average monthly number of employees during the year was as follows:

	30.9.18	30.9.17
	5	6
Staff	5	-
Interns	<u>10</u>	<u>6</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	50,135	136,339	186,474
Other trading activities	66,738	-	66,738
Investment income	176	-	176
Other income	<u>1,194</u>	<u>-</u>	<u>1,194</u>
Total	118,243	136,339	254,582
EXPENDITURE ON			
Charitable activities			
The Pump	<u>133,054</u>	<u>106,976</u>	<u>240,030</u>
Total	133,054	106,976	240,030
NET INCOME/(EXPENDITURE)	(14,811)	29,363	14,552
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>162,143</u>	<u>-</u>	<u>162,143</u>
TOTAL FUNDS CARRIED FORWARD	<u>147,332</u>	<u>29,363</u>	<u>176,695</u>

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.18	30.9.17
	£	£
Amounts owed by group undertakings	-	125
Other debtors	8,330	10,558
Prepayments and accrued income	<u>314</u>	<u>-</u>
	<u>8,644</u>	<u>10,683</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.18	30.9.17
	£	£
Other creditors	10,715	14,271
Accruals and deferred income	<u>65,234</u>	<u>2,340</u>
	<u>75,949</u>	<u>16,611</u>

Deferred income includes project reserves which are specific to individual projects which will be delivered over an agreed period of time:

	30.9.18	30.9.17
	£	£
Deferred income brought forward	-	35,299
Income now released to SoFA	-	(35,299)
Income received in the year and deferred	58,330	-
Deferred income carried forward	<u>58,330</u>	<u>-</u>

The total deferred income is made up of the following projects:

	30.9.18	30.9.17
	£	£
Youth Music	<u>58,330</u>	<u>-</u>

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

10. MOVEMENT IN FUNDS

	At 1.10.17 £	Net movement in funds £	Transfers between funds £	At 30.9.18 £
Unrestricted funds				
General fund	117,333	18,868	(10,000)	126,201
Local Authority funding	30,000	-	(30,000)	-
Capital projects	-	-	40,000	40,000
	<u>147,333</u>	<u>18,868</u>	<u>-</u>	<u>166,201</u>
Restricted funds				
Alcoa global internship programme	-	7,691	-	7,691
Youth Investment Fund	29,362	(29,362)	-	-
Targeted income grants	-	2,000	-	2,000
	<u>29,362</u>	<u>(19,671)</u>	<u>-</u>	<u>9,691</u>
TOTAL FUNDS	<u><u>176,695</u></u>	<u><u>(803)</u></u>	<u><u>-</u></u>	<u><u>175,892</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	109,671	(90,803)	18,868
Restricted funds			
Alcoa global internship programme	38,548	(30,857)	7,691
Youth Investment Fund	135,477	(164,839)	(29,362)
Heritage Lottery Fund - The History of Grime	24,700	(24,700)	-
Targeted income grants	13,250	(11,250)	2,000
BBC Children In Need	9,305	(9,305)	-
	<u>221,280</u>	<u>(240,951)</u>	<u>(19,671)</u>
TOTAL FUNDS	<u><u>330,951</u></u>	<u><u>(331,754)</u></u>	<u><u>(803)</u></u>

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.10.16 £	Net movement in funds £	Transfers between funds £	At 30.9.17 £
Unrestricted Funds				
General fund	112,143	(14,810)	20,000	117,333
Local Authority funding	<u>50,000</u>	<u>-</u>	<u>(20,000)</u>	<u>30,000</u>
	162,143	(14,810)	-	147,333
Restricted Funds				
Youth Investment Fund	<u>-</u>	<u>29,362</u>	<u>-</u>	<u>29,362</u>
TOTAL FUNDS	<u><u>162,143</u></u>	<u><u>14,552</u></u>	<u><u>-</u></u>	<u><u>176,695</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	118,243	(133,053)	(14,810)
Restricted funds			
Alcoa global internship programme	56,243	(56,243)	-
BIG lottery fund - 10 year celebration	10,000	(10,000)	-
Community Safety - CCTV training	3,930	(3,930)	-
Plant room	10,000	(10,000)	-
Youth Investment Fund	<u>56,166</u>	<u>(26,804)</u>	<u>29,362</u>
	136,339	(106,977)	29,362
TOTAL FUNDS	<u><u>254,582</u></u>	<u><u>(240,030)</u></u>	<u><u>14,552</u></u>

The Pump (East Birmingham) Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 September 2018**

10. MOVEMENT IN FUNDS - continued

Transfers between funds

The transfer to the Local Authority Funding designated fund was established to ring-fence reserves needed to maintain our levels of activity through stepped cuts in LA funding in the next three years. This is planned to release back to general funds as 2016 £10,000, 2017 £20,000, 2018 £30,000.

A transfer of £40,000 has been made in the year from general funds to a capital projects designated fund, with the purpose to invest in the key areas of work as outlined in the business plan to support our new operating model.

11. RELATED PARTY DISCLOSURES

At the 30 September 2017, the charity was owed £125 by The Pump Café CIC. During the year £125 was repaid. The Pump Café CIC was dissolved and struck off on 10 April 2018.