

**CITY UNITED LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2010**

**BLOOMER HEAVEN LIMITED**  
Chartered Accountants  
33 Lionel Street  
Birmingham  
B3 1AB

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

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**CITY UNITED LIMITED**  
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2010**

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<b>Trustees</b>	Ms F Burrell (resigned 1 July 2009) Ms D R Miller Miss J M Plummer (appointed 22 April 2010) Mr S G Steele (appointed 22 April 2010) Mr S Hussain
<b>Company registered number</b>	04834723
<b>Charity registered number</b>	1121305
<b>Registered office</b>	Suite 7 Cuckoo Wharf Lichfield Road Birmingham West Midlands B6 7SS
<b>Company secretary</b>	S Hussain
<b>Independent examiner</b>	Helen Blundell LLB, FCA, FCIE, DChA
<b>Accountants</b>	Bloomer Heaven Limited Chartered Accountants 33 Lionel Street Birmingham B3 1AB

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of City United Limited (the company) for the year ended 31 March 2010. The Trustees confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**Constitution**

City United Limited is registered as a charitable company limited by guarantee and governed by its Memorandum and Articles of Association.

**Method of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Since the year end two people have been appointed trustees, Miss J M Plummer and Mr S G Steele.

**Risk management**

The risk management policy is consistent with local risk management frameworks and processes. The policy is subject to ongoing review. Where an unforeseen risk emerges it is subject to case review and impact assessment, information will then be shared where appropriate.

All staff are trained and work to bespoke risk assessments, controls and information sharing protocols. There are clear procedures for reporting of any incidents. Risk management is a fixed agenda item at weekly team meetings.

**Objectives and Activities**

**Policies and objectives**

City United's objects are to promote for the benefit of the inhabitants of Aston and the surrounding area:-

1) the provision of facilities for healthy recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social and economic welfare and with the object of improving the condition of life of the said inhabitants.

2) to develop the capacity and skills of the members of the socially disadvantaged community of Aston in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

### **Strategies for achieving objectives**

City United is designed to help young people who perhaps struggle to feel part of a wider community or have been disadvantaged by an adverse family situation or a general lack of opportunities.

The charity aims to be a place where youngsters can get back on their feet, renew confidence and feel in a safe environment. It also acts works to be an educational tool for the community helping those that want to move forward with their lives.

### **Activities for achieving objectives**

Activities which are offered by the charity in fulfilment of its objectives include:

- Mentoring programme - providing support and encouragement to young people to promote personal development and access to information, guidance and advice
- Residentials - outdoor education activities to bridge the gap for youngsters from postcode restricted areas
- NEET support - offering support and educational packages to secure long term employment or further education opportunities
- Guns and Gangs programme - working with offenders/ those at risk of offending to promote alternatives by way of education, training and entrepreneurial skills
- Academy - pilot of secondary education for students referred by mainstream schools for intensive tailored learning opportunities

### **Achievements and performance**

#### **Review of activities**

The charity has continued to build on the its strengths and successes and during the year engaged with more than 1,000 young people. More than three quarters of these individuals were successful in achieving a qualification during the year.

"The Empowerment League' (Comic Relief) began towards the end of the year and aims to combine business with sport, teams of up to 10 people will be asked to participate in football and business, with the business element being focused on raising awareness about a social issue. The project is aimed at those most at risk, such Looked after Young People, those within the Youth Justice System and those currently in alternative education. Because we have strong working relationships with the aforementioned services the identification and referral process should prove simple and effective.

**Financial review**

**Reserves policy**

The trustees have examined the charity's requirements for reserves in light of the main risks to the charity, in particular its current stage of growth. The reserves policy is reviewed annually to reassess the risks and reflect changes to the its requirements.

**Results**

The organisation has seen significant growth in the last financial year in all areas of activity and has consequently seen an increase in funding from PAYP and Birmingham City Council.

In addition a grant has been secured from Comic Relief to fund salary costs and project costs from January 2010 to 31 December 2010. In accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities 2005, all of the grant has been recognised in the financial statements although it will fund salary and project costs not yet incurred and a balance is therefore carried forward in this respect within restricted funds.

The growth in activities has seen a similar increase in salary and other costs associated with project delivery and at the year end a deficit of £13,466 was achieved on the general unrestricted funds.

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**Statement of Trustees' responsibilities**

The Trustees (who are also directors of City United Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

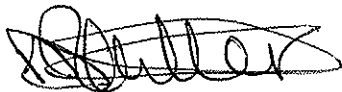
Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 14 January 2011 and signed on their behalf, by:



**Ms D R Miller, Trustee**

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**Independent Examiner's Report to the Trustees of City United Limited**

I report on the financial statements of the company for the year ended 31 March 2010 which are set out on pages 8 to 15.

This report is made solely to the company's Trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work, for this report, or for the opinions I have formed.

**Respective Responsibilities of Trustees and Examiner**

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 43 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act; and
- state whether particular matters have come to my attention.

**Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention, other than that disclosed below:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached other than the matter referred to below.

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**CITY UNITED LIMITED**  
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**Disclosure Section**

I would draw attention to note 9 of the financial statements referring to the prior year adjustment. An adjustment has been necessary to correct the bank position of the prior year figures and although work has been done to ascertain that the opening balance sheet is reasonable in all other respects no additional work has been done to confirm that the classification of income and expenditure in that period accords to the accounting records.

Signed:   
Helen Blundell LLB, FCA, FCIE, DChA

Dated: 14 January 2011

**Bloomer Heaven Limited**  
Chartered Accountants  
33 Lionel Street  
Birmingham  
B3 1AB

**CITY UNITED LIMITED**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account)  
FOR THE YEAR ENDED 31 MARCH 2010

	Note	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	As restated Total funds 2009 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income		83,377	355,468	438,845	251,648
<b>Total incoming resources</b>		<b>83,377</b>	<b>355,468</b>	<b>438,845</b>	<b>251,648</b>
<b>Resources expended</b>					
Costs of generating funds:					
Costs of generating voluntary income		-	14,159	14,159	4,705
Charitable activities	2,3	21,197	352,425	373,622	252,378
Governance costs		-	2,350	2,350	1,380
<b>Total resources expended</b>		<b>21,197</b>	<b>368,934</b>	<b>390,131</b>	<b>258,463</b>
<b>Movement in total funds for the year -</b>					
Net income/(expenditure) for the year		62,180	(13,466)	48,714	(6,815)
<i>Total funds at 1 April 2009</i>		-	63,023	63,023	45,432
Prior year adjustment	9	-	-	-	24,406
<b>Total funds at 31 March 2010</b>		<b>62,180</b>	<b>49,557</b>	<b>111,737</b>	<b>63,023</b>

The notes on pages 10 to 15 form part of these financial statements.

**CITY UNITED LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 04834723**

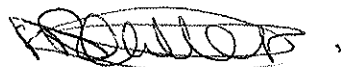
**BALANCE SHEET**  
**AS AT 31 MARCH 2010**

	Note	2010		As restated 2009
		£	£	£
<b>Fixed assets</b>				
Tangible assets	6		35,366	16,779
<b>Current assets</b>				
Debtors	7	95,466		20,596
Cash at bank and in hand		5,423		33,113
		<u>100,889</u>		<u>53,709</u>
<b>Creditors:</b> amounts falling due within one year	8	<u>(24,518)</u>		<u>(7,465)</u>
<b>Net current assets</b>			<u>76,371</u>	<u>46,244</u>
<b>Total assets less current liabilities</b>			<u><u>111,737</u></u>	<u><u>63,023</u></u>
<b>Charity Funds</b>				
Restricted funds			62,180	-
Unrestricted funds			49,557	63,023
			<u><u>111,737</u></u>	<u><u>63,023</u></u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2010 and of its profit for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

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

The financial statements were approved by the Trustees on 14 January 2011 and signed on their behalf, by:



**Ms D R Miller, Trustee**

The notes on pages 10 to 15 form part of these financial statements.

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**1. Accounting Policies**

**1.1 Basis of preparation of financial statements**

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), Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, and the Companies Act 2006.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 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 company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company 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.

**1.4 Incoming resources**

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

**1.5 Resources expended**

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

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**1. Accounting Policies (continued)**

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery - 25% reducing balance

**1.7 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**2. Direct costs**

	<b>Total 2010 £</b>	<i>Total 2009 £</i>
Youth activities	<b>57,256</b>	9,865
Travel - activities	<b>10,657</b>	290
Training projects	<b>28,125</b>	18,355
Catering	<b>11,468</b>	-
Vehicle costs	<b>10,152</b>	11,977
Equipment hire	<b>6,380</b>	2,968
Repairs and maintenance	<b>-</b>	7,156
Telephone	<b>8,349</b>	2,678
Sundry	<b>20,697</b>	26,072
Consultancy	<b>22,574</b>	22,731
Wages and salaries	<b>105,934</b>	66,376
National insurance	<b>2,655</b>	1,415
	<b>284,247</b>	169,883

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**CITY UNITED LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**3. Support costs**

	<b>Total 2010</b>	<i>Total 2009</i>
	£	£
Equipment hire	<b>8,082</b>	3,106
Insurance	<b>4,200</b>	5,219
Rent, rates and water	<b>33,297</b>	48,665
Light and heat	<b>5,630</b>	134
Repairs and maintenance	<b>13,854</b>	3,614
IT costs	<b>9,861</b>	16,164
Interest payable	<b>1,465</b>	-
Professional fees	<b>4,621</b>	-
Depreciation	<b>8,365</b>	5,593
	<u><b>89,375</b></u>	<u>82,495</u>

**4. Net income / (Expenditure)**

This is stated after charging:

	<b>2010</b>	<i>2009</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	<b>8,365</b>	5,593
Independent examiner's fee	<b>2,350</b>	1,380
	<u><b>2,350</b></u>	<u>1,380</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2009 - £Nil).

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**CITY UNITED LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**5. Staff costs**

Staff costs were as follows:

	2010 £	2009 £
Wages and salaries	114,477	69,321
Social security costs	2,655	1,415
	<u>117,132</u>	<u>70,736</u>

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

	2010 No.	2009 No.
	<u>20</u>	<u>10</u>

No employee received remuneration amounting to more than £60,000 in either year.

**6. Tangible fixed assets**

	Plant and machinery £
<b>Cost</b>	
At 1 April 2009	32,191
Additions	26,952
	<u>59,143</u>
At 31 March 2010	
<b>Depreciation</b>	
At 1 April 2009	15,412
Charge for the year	8,365
	<u>23,777</u>
At 31 March 2010	
<b>Net book value</b>	
At 31 March 2010	<u>35,366</u>
At 31 March 2009	<u>16,779</u>

**CITY UNITED LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**7. Debtors**

	<b>2010</b>	<i>2009</i>
	<b>£</b>	<i>£</i>
Trade debtors	<b>46,373</b>	<i>20,579</i>
Other debtors	<b>-</b>	<i>17</i>
Prepayments and accrued income	<b>7,405</b>	<i>-</i>
Grants receivable	<b>41,688</b>	<i>-</i>
	<b>95,466</b>	<i>20,596</i>

**8. Creditors:**  
**Amounts falling due within one year**

	<b>2010</b>	<i>2009</i>
	<b>£</b>	<i>£</i>
Bank loans and overdrafts	<b>5,514</b>	<i>-</i>
Trade creditors	<b>4,118</b>	<i>4,585</i>
Social security and other taxes	<b>2,000</b>	<i>-</i>
Other creditors	<b>12,886</b>	<i>2,880</i>
	<b>24,518</b>	<i>7,465</i>

**9. Prior year adjustment**

A prior year adjustment has been made to correct accounting errors made in the previous year in relation to bank transactions. The effect on the net deficit for that year was to reduce the deficit by £24,406 and increase the funds brought forward by the same amount to £63,023.

**10. Analysis of net assets between funds**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>	<i>Total funds</i>
	<b>2010</b>	<b>2010</b>	<b>2010</b>	<i>2009</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<i>£</i>
Tangible fixed assets	<b>-</b>	<b>35,366</b>	<b>35,366</b>	<i>16,779</i>
Current assets	<b>62,180</b>	<b>38,710</b>	<b>100,890</b>	<i>53,709</i>
Creditors due within one year	<b>-</b>	<b>(24,519)</b>	<b>(24,519)</b>	<i>(7,465)</i>
	<b>62,180</b>	<b>49,557</b>	<b>111,737</b>	<i>63,023</i>

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**CITY UNITED LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

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**11. Operating lease commitments**

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Between 2 and 5 years	<b>7,600</b>	<b>7,600</b>

**CITY UNITED LIMITED**  
(A company limited by guarantee)

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £		2009 £
<b>Income</b>			
Birmingham Foundation	23,500	-	
Birmingham City Council	330,703	245,393	
Alternative Education	1,265	3,000	
Exceptional items	-	3,255	
Comic Relief	83,377	-	
	<hr/>	<hr/>	
<b>Total Income</b>	<b>438,845</b>		<b>251,648</b>
<b>Less: Expenditure</b>			
Equipment hire	5,616	1,760	
Wages and salaries	8,543	2,945	
Youth activities	57,256	9,865	
Travel - activities	10,657	290	
Consultancy	22,574	22,731	
Training projects	28,125	18,355	
Catering	11,468	-	
Vehicle costs	10,152	11,977	
Equipment hire	6,380	2,968	
Repairs and maintenance	-	7,156	
Telephone	8,349	2,678	
Sundry	20,697	26,072	
Wages and salaries	105,934	66,376	
National Insurance	2,655	1,415	
Equipment hire	8,082	3,106	
Insurance	4,200	5,219	
Rent, rates and water	33,297	48,665	
Light and heat	5,630	134	
Repairs and maintenance	13,854	3,614	
IT costs	9,861	16,164	
Professional fees	4,621	-	
Interest payable	1,465	-	
Independent examination fee	2,350	1,380	
Depreciation	8,365	5,593	
	<hr/>	<hr/>	
<b>Total Expenditure</b>	<b>390,131</b>		<b>258,463</b>
	<hr/>		<hr/>
<b>Net income/(expenditure) for the year</b>	<b>48,714</b>		<b>(6,815)</b>
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The surplus for the year includes £62,180 of Comic Relief grant which is to fund expenditure between April 2010 and December 2010. After deduction of this amount the net expenditure for the year is £13,466.