

**COMPANY REGISTRATION NUMBER: 4055940  
CHARITY REGISTRATION NUMBER: 1082938**

**Wings South West  
Company Limited by Guarantee  
Unaudited Financial Statements  
31 August 2020**

**THOMAS WESTCOTT**

Chartered Accountants  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

**Wings South West**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 August 2020**

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# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

#### Year ended 31 August 2020

The Trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

#### Reference and administrative details

<b>Registered charity name</b>	Wings South West
<b>Charity registration number</b>	1082938
<b>Company registration number</b>	4055940
<b>Principal office and registered office</b>	Bowood House Abbotsham Bideford Devon EX39 5AX
<b>Trustees</b>	Mrs M J Sawle Mrs V A Reason Mr C B Jones Mr I J Rogers Mrs A C Bowser Chair of Trustees
<b>Founder, CEO &amp; Director</b>	Dr P A Bowser
<b>Founder &amp; Secretary</b>	Mrs A C Bowser
<b>Bankers</b>	Barclays Bank Plc 84 High Street Bideford EX39 2AL  Lloyds Bank Plc 5 High Street Bideford EX39 2AD  Investec Wealth & Investment Limited 2 Gresham Street London EX2V 7QP
<b>Solicitors</b>	Seldons Solicitors LLP 15 The Quay Bideford EX39 2EZ
<b>Accountants</b>	Thomas Westcott Chartered Accountants 47 Boutport Street Barnstaple Devon EX31 1SQ

# **Wings South West**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

**Year ended 31 August 2020**

#### **Structure, governance and management**

##### *Governing Document*

Wings South West is a company limited by guarantee, governed by its Memorandum and Articles of Association and is also registered with the Charity Commission.

Wings South West is established for all such purposes as are recognised as charitable by English Law and which are covered by the Memorandum and Articles of Association.

##### *Trustees*

Trustees are selected on the basis of their interests in helping people to have a future and a hope, particularly those who are disadvantaged socially, academically, or by family circumstances.

Trustees should be able to work within the charity's objectives and activities and should complement existing Trustees with relevant expertise and time.

##### *Trustee induction and training*

The continuing support for training and development of Trustees is always under review. New Trustees, who are elected by the Board of Trustees, are recruited through volunteering, introduction or by targeting specific relevant experience. They are given support and introduced to the Charity in a number of ways, dependent upon their previous experience and any prior involvement with the Charity. Both induction and ongoing development may include reference to the many resources available from the Charity Commission, time spent with the staff, mentoring and external training

#### **Objectives and activities**

##### *Objectives*

The main objectives of the Charity are to help alleviate poverty and distress, to offer education and learning in a wide context and to deliver recreational opportunities particularly for disadvantaged people. In specific contexts (e.g. churches, assemblies etc.) a further objective is to help explore aspects of the Christian faith.

##### *Activities*

The main activities in relation to the objectives are the development and running of a community centre (the Wings Hall) in the middle of Bideford that also offers youth clubs for young people, schools work with pupils who are disengaged and a disability group, and, at the Charity's second site on the outskirts of Bideford, practical work-based projects (motor mechanics, conservation, construction, sports, outdoor pursuits and multimedia) and training with young people who are NEET (Not in Employment, Education or Training), those with disabilities, adults who face difficulties and an Academy.

##### *Risk Management*

The Trustees of Wings South West ('Wings') are responsible for identifying and directing the potential major risks associated with safeguarding, GDPR, finances, recruitment and redundancies and all policies under which the charity operates.

# **Wings South West**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

**Year ended 31 August 2020**

#### **Objectives and activities *(continued)***

Day to day risk management devolves to the Management Team who are responsible for ensuring risk assessments are carried out for all activities and in implementing the strategic direction set by the Trustees. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with safeguarding and health and safety of staff, volunteers, participants and visitors to both centre or off-site activities. All procedures and policies are reviewed either annually or every three years to ensure Wings continues to meet the needs of beneficiaries and the requirements of the Charity Commission.

#### *Public Benefit*

The Trustees consider that the objectives of the Charity, as stated earlier, comply with the Charities and Public Benefit: Summary Guidance for Charity Trustees (Charities Act 2011). The Trustees also unanimously agree that the requirement for due regard to the Public Benefit guidance has been satisfied. The overall aim of Wings is to give people a future and a hope by encouraging positive relationships and offering creative learning opportunities that help develop skills, self-esteem and confidence.

The Public Benefit from Wings is that it largely works with disadvantaged young people who are struggling at school, not in employment, education or training, young offenders (or at risk of offending), those who have learning disabilities and adults experiencing difficulties. Wings listens to the needs of all those we work with, evaluates what interventions are most likely to work, puts in place relevant positive activities and services and then measures the effect of these on their development and destinations.

#### **Achievements and performance**

Northern Devon (North Devon and Torrington) is one of the largest and most deprived rural areas in the UK and the prospect for economic and social stability, let alone recovery, continues to be unlikely, particularly in the light of the Pandemic.

Torrington in particular is suffering as this district has had one of the lowest average household incomes and one of the lowest GDPs in the UK for a number of years. The majority of people Wings works with are facing considerable difficulties including rural deprivation, a lack of employment or training opportunities, a social environment that pushes increasing numbers into a poverty trap with concomitant risks of offending and mental health issues, a marginalisation of those with learning, physical or behavioural difficulties and disabilities, and for those who are under 18, an education system that does not 'fit' every pupil.

#### *Pandemic*

As this review is being written, the extent of the impact of the coronavirus pandemic is unfolding. It has been and will be difficult for everyone across the UK and the world for many months, if not years to come. This accounting year, to the end of August 2020, was a year of two halves – near normality from September 2019 to February 2020 and then the furthest from normality we could have ever anticipated from March 2020 to the end of August 2020. Although somewhat battered emotionally in not always being there physically to help the people we love being with, Wings is coming out of the crisis in an unexpectedly strong financial position which is thanks to the generosity, and often foresight, of the government, charities and individuals who have given generously. This support has given us the opportunity to re-start existing programmes and, hopefully, start new initiatives where there is a proven need.

# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### **Achievements and performance** *(continued)*

The two Wings' centres and the activities taking place in them were closed down in stages during March 2020; firstly, those connected with leisure, sport and social interactions, including our Unity (those with disabilities) Community, and then finally the Academy for young people struggling or excluded from school. On the 23<sup>rd</sup> March 2020 both sites were closed and all staff furloughed. We were able to access the Government's job retention scheme which contributed 80% of salaries, for which we are extremely grateful. Thanks to an additional grant from the Barry and Peggy High Foundation 'to do the right thing' the Trustees agreed to top up the remaining 20% of staff's salaries and also to support our regular sessional workers who would otherwise have lost their income.

It is sobering to think that within a generation (in fact less than twelve years) we have experienced a financial crisis, first emerging in America in 2008, and then a second financial, health and social crisis due to SARS-CoV-2 in 2020. Ironically, although in the reverse order, the same happened a hundred years ago with the Spanish 'Flu Pandemic and then the Great Depression. As we, hopefully, start to emerge from this crisis the landscape will have changed, but like everyone we do not know what it will look like, although thanks again to the Barry and Peggy High Foundation we are undertaking a five month Community Needs Research Project aiming to evaluate current and future needs and what has changed since before the pandemic. We have little doubt that the same or greater needs will still exist but with possibly reduced levels of financial support. As with the financial crash in 2008 and subsequent years where many charities folded, so not all charities have survived the pandemic months in spite of government and charities rallying to try and help.

#### *General Update*

In last year's review we were looking forward to completing the spend of a major (£130,000) grant from Garfield Weston's 60<sup>th</sup> Anniversary Fund, which came through in October 2018. This was being used to refurbish and extend the facilities at both sites and it has been an exciting year as more work was completed and further equipment was delivered. In fact, the indoor cricket nets were finalised, opened for two weeks, and then closed due to the first lockdown! On a happier note, our own 20<sup>th</sup> Anniversary was in October 2020 and the Garfield Weston grant seemed to be of even greater significance as they was one of the very first charities to financially support the then newly-founded Wings.

Together with many other charities in the UK that deliver vital front-line services, and even before the current crisis, Wings was facing the near 'perfect storm' of trying to deal with increasing needs (numbers and severity); yet with a decreasing level of financial resources. To help counter this scenario we maintained low overhead costs and carefully manage salaries and expectations of our wonderful staff who give so much to the children, young people and adults we work with. We also kept looking to diversify our income streams away from the traditional grants route, particularly via partnership working and hiring of our facilities to schools and sports clubs, although the latter abruptly stopped due to the lockdown. With the recent closure of local charities we anticipate there will be even more unmet needs that together with others we may be able to help address.

Wings is a faith-based organisation, and where young people choose to explore this part of their lives then under normal circumstances a number of opportunities are made available throughout the year including small exploratory groups, camps and weekends away. These have also all been put on hold.

# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### **Achievements and performance** *(continued)*

##### *Programmes*

Historically, Wings has been a youth-based organisation. Although this remains a core focus, particularly with those aged 11 to 25, over the past five years we have been increasingly drawn to working with other disadvantaged groups where relationship building and the use of our existing expertise, facilities and equipment has been much needed, and requested. This has been most apparent in our work with individuals with learning and physical disabilities (the Unity Community) and with those experiencing long term unemployment due to underlying issues, including addictions.

Compared to ten years ago there had been significant changes in the youth work sector, particularly for charities like Wings that work with a broad range of individuals. Ours has very much been a needs-driven strategy and although at times it seems to be a patchwork of projects, there are common themes of care, safeguarding, relational youth work and provision of practical, empowering activities that help improve an individual's confidence, self-esteem and resilience. Our staff and sessional workers are our greatest asset and are role models offering hope to many children and young people each and every year.

Twenty years ago Wings started by operating traditional youth clubs but with a twist of being a Cyber Café where children and young people could get together and 'stumble' on computers and how to use them in a safe and secure environment. Unbelievably we often had up to 140 attendees per night but gradually as computers in the home arrived and, more recently, the advent of mobile phones with significant computing power and social media links, face-to-face friendships and activities competed with virtual interactions. Numbers in youth clubs across the country dwindled. Perversely, in the eighteen months before the first lockdown attendances at the youth clubs started to reach forty young people per night as being together started to see a renaissance. Although research is needed we suspect that that trend will continue as there has been a deprivation of human contact over the past 12 months.

Our work with NEETs (16 – 25 year olds not in employment, education or training) continues, but due to their increasing 'invisibility' and a lack of motivation to engage with any programmes, this initiative now tends to be with individuals who may want to join in with one of our ongoing activities on an ad hoc basis, such as Trax (motor mechanics) or CrossFit training. The exception will be those who are 25+ and have long-term unemployment issues often, but not exclusively, associated with addictive behaviour. Working with the new breed of social prescribers based at GP surgeries we were just about to launch a new initiative of 'fitness on prescription' when the coronavirus pandemic struck. We now have meetings with the four locally based social prescribers to evaluate needs and opportunities.

Wings has worked with disadvantaged children from schools since its formation, predominantly with those of secondary school age. However, since 2015 we have worked with a number of primary schools, where up to 30% in each class may be struggling through poverty, neglect, mental health or disability/ difficulty. Mainstream schools recognise that they do not always have the staff or the physical resources to meet the growing needs, and the special schools (Learning or Behavioural Specialism) in the area are oversubscribed. This is yet another 'perfect storm' where needs and resources are heading in opposite directions. We continue to struggle to fund this work as, theoretically, interventions should be via statutory provision and so relatively few charities consider support. This is another area that we are researching post pandemic.

# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### **Achievements and performance** *(continued)*

As already mentioned, Wings has continued to develop a multi-faceted funding model that includes partnership working, local authorities, charities, social enterprises, hiring out facilities and European money. A crucial step to being seen an 'alternative provider' was the launch of our North Devon Coastal Academy (NDCA) in September 2017. Its principal aim is to offer a new type of vocational training for 16 to 18 year olds who were not engaging, or would be unlikely to engage with mainstream, or any other form, of education. This approach has also helped us to better formulate and express to others (individuals, families, schools, other organisations) our role as an alternative provider (registered with the Department for Education), particularly at a time when there are growing budgetary and regulatory constraints across the board, including at a local authority level. The course is regularly being tailored via personalisation, as well as delivering accreditation and functional skills including English and Maths up to Level 2 in partnership with Petroc College for the past two years. The Academy started its fifth year in September 2020, although there were some lockdown restrictions both before and after that date.

We were pro-actively approached by the Devon Community Foundation (specifically in relation to The Ripple Fund) about possibly being part of a new initiative they were considering, in working with young people who were in or about to leave the care system – now known as 'looked-after children'. Having always worked with such children, albeit on an ad hoc basis as they came along, we were pleased to (successfully) bid into this Devon-wide project and train two counsellors to be able to specialise in providing therapy to children aged 11 to 16. The funds also support young people who were attending the Academy or some of the other initiatives. Partly due to the lockdowns, numbers were lower than expected and so the length of the project has been increased to help accommodate that. However, we have been concerned that some of the most vulnerable young people find themselves even more isolated when foster placements break down and they move away from a location and even outside of the county. At a time when Wings and similar organisations have become a lifeline and a type of 'family', the effects of this can be devastating.

Having continued to make significant progress in the work with those with learning and physical disabilities at a post 18 level (Unity) it almost hit a brick wall with the first lockdown as the group included many with health vulnerabilities and so all face-to-face activities ceased immediately. Thanks to government support and coronavirus crisis funds we were able to quickly set up on-line meeting sessions including quizzes, talent shows, theatre, craft, fitness and just the opportunity to socialise with each other. At the time of writing this review we are still not able to meet together, and this is likely to continue until participants and Wings staff are fully vaccinated and the risk of a third coronavirus wave becomes minimal.

Before the first lockdown, members of the Unity Community continued to enjoy a variety of outdoor pursuits and sports (cricket, tennis, fitness) as well as circle-time (sharing what has happened in the past week and future plans), craft, talent contest, multimedia and socialising. We hope the work will continue to develop post pandemic as we enter into further partnerships with parents, disability organisations, schools and charities and carry out research into emerging needs. We are delighted that the Clare Milne Trust again agreed to support the Unity Community.

As stated previously, we are keen to explore how to help tackle the concomitant mental health issues of anxiety and depression faced by individuals with disabilities as this is often not understood and certainly under-reported partially due to an understandable focus on their primary condition. However, research from others, and our own increasing observations, suggests that their primary disabilities are a norm for them and it is anxiety and depression that significantly affects their quality of life.

# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2020

##### **Achievements and performance** *(continued)*

###### *Centres*

The Wings Hall remains central to a number of activities although due to the pandemic it has not been open to groups since March 2020.

The second Wings' centre (Lendon Barn) at Abbotsham, on the outskirts of Bideford, is the principal base for the majority of practical courses with NEETs and for those who are struggling at school. These practical initiatives include motor mechanics, conservation, construction, sports, fitness, outdoor pursuits and multimedia. It is also the home of our North Devon Coastal Academy.

The proposed new purpose-built Youth, Sports, Enterprise and Community Centre, to be known as The Bridge Centre, is still waiting for a potential sale of land to Wings, although all original funders have now withdrawn their pledges due to the project's ongoing uncertainty.

###### *Support*

As to the future of its current and potential activities, Wings is very fortunate to have a professional and passionate team of staff and sessional workers who are well supported by excellent Trustees, volunteers and other organisations that are seeking to help disadvantaged children, young people and adults reach their full potential.

The importance of volunteers to Wings has always been highlighted since the charity was first formed almost 20 years ago.

As well as individuals, we are indebted again this year to many organisations and charities for financial support including Garfield Weston, Devon Community Foundation (Ripple Fund), Barry and Peggy High Foundation, The Bideford Bridge Trust, Clare Milne Trust, the churches of St Mary's, Abbotsham Baptist and Grosvenor, and many local schools and colleges especially Marland, Highgate Hill House and Petroc College. Without their support and the confidence they show in Wings we would have achieved nothing.

##### **Financial review**

###### *Results*

During the year the Charity has achieved total incoming resources of £247,814 (2019 : £290,468) of which £38,000 (2019 : £185,000) related to restricted funds. The total resources expended for the year was £305,685 (2019 : £226,042) which resulted in net outgoing resources, before investment gains/losses of £57,817 (2019 : net incoming resources 64,426).

A gain on revaluation of the year end mid-point valuation of the Investec Investment fund amounted to £832 (2019 : £8,703).

Total funds at the year end stood at £549,555 (2019 : £606,594) with £24,000 (2019 : £115,963) shown as restricted and £525,555 (2019 : £490,631) as unrestricted.

###### *Reserves*

The Trustees continue to set a reserves policy that reflects the best interest of the Charity and its beneficiaries. Trustees regularly monitor reserve levels to ensure effectiveness of the policy in the light of changing risks. The Charity aims to hold six months operating reserves, which equates to around £125,000.

When reviewing unrestricted funds, the Trustees remove funds held as tangible fixed assets from consideration as it is not deemed to be readily available funds. The total of unrestricted funds, excluding tangible fixed assets, as at 31 August 2020 was £213,393 (2019 : £192,046).

# Wings South West

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### Plans for future periods

With the current invaluable work of Wings with children, young people and adults, the still possible on-going development of The Bridge Centre, and the financial pressures created by the economic difficulties and now the coronavirus there is little doubt it is a time of considerable transition for the Charity. In order to survive, and even grow, there are six key areas Wings is focusing on, and investing in, namely:

- Listening to, identifying and acting on the growing needs of children, young people and adults, particularly where there is disadvantage
- Identifying local schools and other organisations where joint initiatives would be of value in benefiting children and young people
- Helping to facilitate community engagement in addressing local issues including unemployment and lack of occupation
- Bid writing and building partnerships with existing and new charities with whom Wings share similar objectives
- Coordinating support from local, national and international companies and charities, particularly in relation to The Bridge Centre
- Having robust Financial Systems and Governance reviews



.....  
Dr P A Bowser  
Chief Executive Officer  
May 2021

The Trustees' annual report was approved on 17<sup>th</sup> May 2021 and signed on behalf of the Board of Trustees by:



.....  
Mrs M. J. Sawle  
Chair of Trustees

# Wings South West

## Company Limited by Guarantee

### Independent Examiner's Report to the Trustees of Wings South West

Year ended 31 August 2020

I report to the trustees on my examination of the financial statements of Wings South West ('the charity') for the year ended 31 August 2020.

#### Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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

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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.

*CW Williams*

Catherine Williams ACA DChA  
Independent Examiner  
Thomas Westcott Chartered Accountants  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

*28th May 2021*

# Wings South West

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

31 August 2020

		2020			2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	109,192	38,000	<b>147,192</b>	198,767
Other trading activities	6	98,914	–	<b>98,914</b>	90,061
Investment income	7	1,708	–	<b>1,708</b>	1,640
<b>Total income</b>		<u>209,814</u>	<u>38,000</u>	<u><b>247,814</b></u>	<u>290,468</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Investment management costs	8	660	–	<b>660</b>	618
Expenditure on charitable activities	9,10,11	130,690	84,335	<b>215,025</b>	225,424
Other expenditure	12,26	90,000	–	<b>90,000</b>	–
<b>Total expenditure</b>		<u>221,350</u>	<u>84,335</u>	<u><b>305,685</b></u>	<u>226,042</u>
Net gains/(losses) on investments	14	832	–	<b>832</b>	8,703
<b>Net income/(expenditure)</b>		<u>(10,704)</u>	<u>(46,335)</u>	<u><b>(57,039)</b></u>	<u>73,129</u>
Transfers between funds		45,628	(45,628)	–	–
<b>Net movement in funds</b>		<u>34,924</u>	<u>(91,963)</u>	<u><b>(57,039)</b></u>	<u>73,129</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		490,631	115,963	<b>606,594</b>	533,465
<b>Total funds carried forward</b>		<u>525,555</u>	<u>24,000</u>	<u><b>549,555</b></u>	<u>606,594</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 22 form part of these financial statements.

**Wings South West**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 August 2020**


		2020		2019
		£	£	£
<b>Fixed assets</b>				
Tangible fixed assets	20		312,162	298,585
Investments	21		<u>107,338</u>	<u>105,289</u>
			<b>419,500</b>	403,874
 <b>Current assets</b>				
Debtors	22	22,066		12,910
Cash at bank and in hand		<u>205,241</u>		<u>199,816</u>
		<b>227,307</b>		212,726
 <b>Creditors: amounts falling due within one year</b>	23	<u>97,252</u>		<u>10,006</u>
<b>Net current assets</b>			<b>130,055</b>	202,720
<b>Total assets less current liabilities</b>			<b>549,555</b>	606,594
<b>Net assets</b>			<b>549,555</b>	606,594
 <b>Funds of the charity</b>				
Restricted funds			24,000	115,963
Unrestricted funds			<u>525,555</u>	<u>490,631</u>
<b>Total charity funds</b>	24		<b>549,555</b>	606,594

For the year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees responsibilities:

- The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the Board of Trustees and authorised for issue on 17<sup>th</sup> May 2021 and are signed on behalf of the board by:

  
 .....  
 Mrs M J Sawle  
 Chair of Trustees

The notes on pages 12 to 22 form part of these financial statements.

**Wings South West**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 August 2020**

**1. General information**

The Charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Bowood House, Abbotsham, Bideford, Devon, EX39 5AX.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Disclosure exemptions**

The entity satisfies the criteria of being a small charity as defined in FRS 102 and therefore has applied the reduced disclosures.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees to further any of the Charity's purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 3. Accounting policies *(continued)*

##### Incoming resources

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	1% straight line
Computers	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	20% reducing balance
Furniture	-	10% reducing balance

##### Investments

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

##### Defined contribution plans

The pension costs charged in the financial statements represent the contribution payable by the Trust during the year.

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 4. Limited by guarantee

Wings South West is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

#### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	<b>Total Funds 2020 £</b>	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
<b>Donations</b>						
Donations including Gift Aid	31,540	–	<b>31,540</b>	11,062	–	11,062
<b>Grants</b>						
Abbotsham Baptist Church	750	–	<b>750</b>	1,000	–	1,000
Ansell Family Charitable Trust	–	6,000	<b>6,000</b>	–	–	–
Bideford Bridge Trust	–	2,000	<b>2,000</b>	–	–	–
Barry and Peggy High Foundation	10,000	10,000	<b>20,000</b>	205	10,000	10,205
Clare Milne Trust	–	–	–	–	25,000	25,000
Devon Community Foundation (Ripple Fund)	–	20,000	<b>20,000</b>	–	20,000	20,000
Garfield Weston Foundation	–	–	–	–	130,000	130,000
Grosvenor Church	500	–	<b>500</b>	–	–	–
Maurice and Hilda Laing Trust	5,000	–	<b>5,000</b>	–	–	–
St Mary's Church	1,500	–	<b>1,500</b>	1,500	–	1,500
Unison North Devon and Torridge	500	–	<b>500</b>	–	–	–
UK Government COVID Grants	59,402	–	<b>59,402</b>	–	–	–
	<u>109,192</u>	<u>38,000</u>	<u><b>147,192</b></u>	<u>13,767</u>	<u>185,000</u>	<u>198,767</u>

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 6. Other trading activities

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Courses and activities	8,799	<b>8,799</b>	6,327	6,327
Hire income	1,075	<b>1,075</b>	1,362	1,362
Trax income	5,401	<b>5,401</b>	6,503	6,503
Disability enabling	10,576	<b>10,576</b>	25,622	25,622
North Devon Coastal Academy income	73,063	<b>73,063</b>	50,247	50,247
	<u>98,914</u>	<u><b>98,914</b></u>	<u>90,061</u>	<u>90,061</u>

#### 7. Investment income

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Income from listed investments	1,705	<b>1,705</b>	1,640	1,640
Bank interest receivable	3	<b>3</b>	–	–
	<u>1,708</u>	<u><b>1,708</b></u>	<u>1,640</u>	<u>1,640</u>

#### 8. Investment management costs

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Investment management fees	660	<b>660</b>	618	618
	<u>660</u>	<u><b>660</b></u>	<u>618</u>	<u>618</u>

#### 9. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Charitable Work	125,976	84,335	<b>210,311</b>
Support costs	4,714	–	<b>4,714</b>
	<u>130,690</u>	<u>84,335</u>	<u><b>215,025</b></u>
	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Charitable Work	160,725	60,089	220,814
Support costs	4,610	–	4,610
	<u>165,335</u>	<u>60,089</u>	<u>225,424</u>

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	<b>Total Funds 2020</b>	Total Funds 2019
	£	£	£	£
Charitable Work	210,311	4,714	<b>215,025</b>	225,424

#### 11. Analysis of support costs

	Charitable activities	<b>Total 2020</b>	Total 2019
	£	£	£
Staff costs	2,663	<b>2,663</b>	2,490
Accountancy	2,051	<b>2,051</b>	2,120
	<u>4,714</u>	<u><b>4,714</b></u>	<u>4,610</u>

#### 12. Other expenditure

	Unrestricted Funds	<b>Total Funds 2020</b>	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Donation repayment	90,000	<b>90,000</b>	-	-

#### 13. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

#### 14. Net gains on investments

	Unrestricted Funds	<b>Total Funds 2020</b>	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Gains/(losses) on other investment assets	832	<b>832</b>	8,703	8,703

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 15. Net income/(expenditure)

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	19,423	16,166
(Surplus)/Loss on disposal of fixed assets	<u>(12,628)</u>	<u>—</u>

#### 16. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,051</u>	<u>2,120</u>

#### 17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	116,728	138,088
Social security costs	5,262	7,382
Pensions	2,024	2,112
	<u>124,014</u>	<u>147,582</u>

The average head count of employees during the year was 7 (2019: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Administrative staff	0.3	0.3
Operational staff	4.4	5.4
	<u>4.7</u>	<u>5.7</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

#### 18. Trustee remuneration and expenses

No remuneration or other benefits from employment with the Charity or related entity were received by the Trustees.

#### 19. Related party transactions

During the year, the charity (as a Company Limited by Guarantee) paid remuneration under employment contract to its two Founding Directors.

Paul Bowser received total remuneration (including employers national insurance and pension costs) of £13,417 (2019: £18,866) for his role as CEO and Anne Bowser received £7,318 (2019: £10,187) for her role as Education & Training Manager, both of whom are employed for their relevant expertise and experience for these posts. These appointments and remunerations are permitted under the Articles and Memorandum of Wings South West.

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 20. Tangible fixed assets

	Land and buildings £	Computers £	Motor vehicles £	Equipment £	Furniture £	Total £
<b>Cost</b>						
At 1 Sep 2019	248,332	49,638	75,905	149,455	2,397	<b>525,727</b>
Additions	5,189	1,924	–	38,515	–	<b>45,628</b>
Disposals	–	(36,445)	(24,920)	(98,143)	(2,397)	<b>(161,905)</b>
<b>At 31 Aug 2020</b>	<u>253,521</u>	<u>15,117</u>	<u>50,985</u>	<u>89,827</u>	<u>–</u>	<u><b>409,450</b></u>
<b>Depreciation</b>						
At 1 Sep 2019	7,449	31,284	67,101	119,824	1,484	<b>227,142</b>
Charge for the year	2,535	1,922	2,133	12,833	–	<b>19,423</b>
Disposals	–	(28,976)	(24,646)	(94,171)	(1,484)	<b>(149,277)</b>
<b>At 31 Aug 2020</b>	<u>9,984</u>	<u>4,230</u>	<u>44,588</u>	<u>38,486</u>	<u>–</u>	<u><b>97,288</b></u>
<b>Carrying amount</b>						
<b>At 31 Aug 2020</b>	<u>243,537</u>	<u>10,887</u>	<u>6,397</u>	<u>51,341</u>	<u>–</u>	<u><b>312,162</b></u>
At 31 Aug 2019	<u>240,883</u>	<u>18,354</u>	<u>8,804</u>	<u>29,631</u>	<u>913</u>	<u>298,585</u>

#### 21. Investments

	2020 £	2019 £
Market value at 1 September 2019	96,586	96,586
Additions	37,973	–
Disposals	(36,756)	–
Net gains/(loss) on revaluations in the year ended 31 August 2020	832	8,703
Market value at 31 August 2020	<u>107,338</u>	<u>105,289</u>
Historical cost at 31 August 2020	<b>92,151</b>	82,829

All investments shown above are held at valuation.

#### 22. Debtors

	2020 £	2019 £
Trade debtors	2,135	80
Prepayments and accrued income	4,845	4,740
Other debtors	15,086	8,090
	<u>22,066</u>	<u>12,910</u>

#### 23. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	–	28
Trade creditors	781	5,068
Accruals and deferred income	2,009	2,009
Social security and other taxes	3,569	2,411
Other creditors	90,893	490
	<u>97,252</u>	<u>10,006</u>

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 24. Analysis of charitable funds

##### Unrestricted funds

	At 31 August 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2020 £
General Funds	82,148	208,109	(188,513)	–	–	<b>101,744</b>
Investec Investment Fund	109,898	1,705	(786)	–	832	<b>111,649</b>
Fixed Asset Fund	298,585	–	(32,051)	45,628	–	<b>312,162</b>
	<u>490,631</u>	<u>209,814</u>	<u>(211,350)</u>	<u>45,628</u>	<u>832</u>	<u><b>525,555</b></u>

Separate unrestricted funds have been created to represent the appropriate book values of both the investment and tangible fixed assets held in the accounts.

Where restricted funds are received for capital expenditure and the expenditure has been fully met and funds used, the restriction is deemed to be lifted and the asset value is transferred to, and regarded as unrestricted, within the designated tangible fixed assets fund from then on.

##### Restricted funds

	At 31 August 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2020 £
Ansell Family Charitable Trust	–	6,000	–	(6,000)	–	–
Barry and Peggy High Foundation	10,000	10,000	(10,000)	–	–	<b>10,000</b>
Bideford Bridge Trust	–	2,000	(2,000)	–	–	–
Clare Milne	18,750	–	(18,750)	–	–	–
Devon Community Foundation (Ripple Fund)	–	20,000	(6,000)	–	–	<b>14,000</b>
Garfield Weston Foundation	87,213	–	(47,585)	(39,628)	–	–
	<u>115,963</u>	<u>38,000</u>	<u>(84,335)</u>	<u>(45,628)</u>	<u>–</u>	<u><b>24,000</b></u>

The Barry and Peggy High Foundation have provided a further annual grant towards work with disadvantaged children and adults plus an additional £10,000 unrestricted grant to support the charity during the COVID-19 pandemic.

The Clare Milne Trust provided the first of three years support to the work with the Unity Community.

The Devon Community Fund grant is part of a Devon-wide project with 'looked-after' children supported by the Ripple Fund.

The Garfield Weston 60<sup>th</sup> Anniversary fund was used towards the refurbishing and equipping of both Wings centres.

All other listed funds represent other fully or partly satisfied grant income in the year that has been spent. All other funds included here relate to funding towards salaries of employees of the Charity or specific purchasing of project resources.

# Wings South West

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 24. Analysis of charitable funds *(continued)*

##### *Unrestricted funds - 2019*

	At 31 August 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2019 £
General Funds	127,383	103,828	(149,063)	–	–	82,148
Investec Investment Fund	100,279	1,640	(724)	–	8,703	109,898
Fixed Asset Fund	281,420	–	(16,166)	33,331	–	298,585
	<u>509,082</u>	<u>105,468</u>	<u>(165,953)</u>	<u>33,331</u>	<u>8,703</u>	<u>490,631</u>

##### *Restricted funds - 2019*

	At 31 August £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 August 2019 £
Awards for All	9,800	–	(9,800)	–	–	–
Barry and Peggy High Foundation	10,000	10,000	(10,000)	–	–	10,000
Clare Milne	–	25,000	(6,250)	–	–	18,750
Devon Community Foundation (Ripple Fund)	–	20,000	(20,000)	–	–	–
Garfield Weston Foundation	–	130,000	(9,456)	(33,331)	–	87,213
Hedley Foundation	4,583	–	(4,583)	–	–	–
	<u>24,383</u>	<u>185,000</u>	<u>(60,089)</u>	<u>(33,331)</u>	<u>–</u>	<u>115,963</u>

#### 25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	312,162	–	312,162
Investments	107,338	–	107,338
Current assets	198,996	24,000	227,307
Creditors less than 1 year	(97,252)	–	(7,252)
<b>Net assets</b>	<u>525,555</u>	<u>24,000</u>	<u>549,555</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	298,585	–	298,585
Investments	105,289	–	105,289
Current assets	96,763	115,963	212,726
Creditors less than 1 year	(10,006)	–	(10,006)
<b>Net assets</b>	<u>490,631</u>	<u>115,963</u>	<u>606,594</u>

**Wings South West**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 31 August 2020**

**26. Contingencies**

During the year ended 31 August 2013, the trustees accepted a £90,000 loan donation to the Charity for its unconditional use. The donor had agreed with the Trustees that in the event of the sale of the property 'The Wings Hall' the Charity would repay the funds donated, out of the proceeds of the sale.

Having taken appropriate legal advice, during the 2020-21 accounting period, the Trustees elected to repay the above funds to the donor to reduce any future liabilities to the charity. As the payment has now been made, this liability has been recognised within the accounts for the year ended 31 August 2020, within other creditors.

**27. Government Grants**

During the year the charity was the recipient of economic benefits as a result of the Small Business Grant Fund. The total funds received from the UK Government and recognised in other operating profit during the year was £20,000.

**28. Coronavirus Job Retention Scheme**

During the year the charity was the recipient of economic benefits as a result of participating in the UK Government's Coronavirus Job Retention Scheme. The total funds recognised on an accruals basis from the UK Government during the year was £39,402.

**29. Post Balance Sheet Event**

After the closure of the 2020 financial year, there were no events that could have significant effects on the charity's financial statements.

However, it should be noted that, at the date of preparation of the financial statements, there was continued uncertainty relating to global health emergency from the spread of Coronavirus. This factor was considered as an event that does not trigger adjustments to the financial statements since the effects of the UK government lockdowns have become clearer.

The charity continues to review and evaluate the management actions to mitigate the impact to their operations as disclosed in the Trustees Report. The charity has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. Any future repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market.